

**CITY OF SHOREVIEW  
AGENDA  
REGULAR CITY COUNCIL MEETING  
December 3, 2012  
7:00 P.M.**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**APPROVAL OF AGENDA**

**PROCLAMATIONS AND RECOGNITIONS**

**CITIZENS COMMENTS** - *Individuals may address the City Council about any item not included on the regular agenda. Specific procedures that are used for Citizens Comments are available on notecards located in the rack near the entrance to the Council Chambers. Speakers are requested to come to the podium, state their name and address for the clerk's record, and limit their remarks to three minutes. Generally, the City Council will not take official action on items discussed at this time, but may typically refer the matter to staff for a future report or direct that the matter be scheduled on an upcoming agenda.*

**COUNCIL COMMENTS**

**CONSENT AGENDA** - *These items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*

1. November 13, 2012 City Council Workshop Minutes
2. November 19, 2012 City Council Meeting Minutes
3. Receipt of Committee/Commission Minutes—
  - Public Safety Committee, November 15, 2012
  - Environmental Quality Committee, November 26, 2012
4. Verified Claims
5. Purchases

6. Resolution Certifying Blight Findings for Proposed TIF District No. 8 and Approval of Demolition Agreement for Midland Plaza (Lakeview Terrace Redevelopment Project)
7. Approve Final Payment—2012 Street Light Replacements, CP 12-06
8. Developer Escrow Reduction

#### **PUBLIC HEARING**

9. Public Hearing—Approval of Off-Sale Liquor License—Trader Joe's, 1041 Red Fox Road
10. Budget Hearing—Review of 2013 Budget and Tax Levy

#### **GENERAL BUSINESS**

#### **STAFF AND CONSULTANT REPORTS AND RECOMMENDATIONS**

#### **SPECIAL ORDER OF BUSINESS**

#### **ADJOURNMENT**

**SHOREVIEW CITY COUNCIL WORKSHOP MEETING  
MINUTES  
November 13, 2012**

**ATTENDEES:**

City Council: Mayor Martin; Councilmembers Huffman, Quigley, Wickstrom and Withhart  
Councilmember-Elect Emy Johnson

Staff: Terry Schwerm, City Manager  
Jeanne Haapala, Finance Director  
Mark Maloney, Public Works Director  
Fred Espe, Assistant Finance Director

Lake Johanna  
Fire Department: Fire Chief Tim Boehlke

**CALL TO ORDER**

Mayor Martin opened the meeting at 6:05 p.m.

**ROLL CALL:**

All Councilmembers were present.

Mayor Martin suggested the Council meet with legislators as soon as possible and invite them to the Minnesota Legislative Commission (MLC) breakfast in February.

Councilmember Withhart stated that particularly he would like to counter the negative reputation of TIF funding by discussing all the projects being done in Shoreview and what an effective tool TIF is for cities. An invitation will be extended to meet with the Council at the December 10th workshop meeting.

**REVIEW OF PROPOSED 2013 BUDGET AND TAX LEVY**

The proposed 2013 tax levy is estimated at \$9,679,567 which represents a 3.4% increase from 2012. This proposed levy is reduced slightly from the levy that was projected in the 2012-2013 biennial budget as a result of about \$75,000 in expenditure reductions. Over the two year budget, the actual increase is about 2.9% because the levy was lower in 2013 than it was in 2011.

There have been adjustments to both revenues and expenditures to the adopted 2013 budget. Revenue increases total more than \$170,000 and reflect revised license and permit revenues, administrative charges, and transfers. Significant increases in expenditures are the result of increased police and fire costs, wage and benefit adjustments, and increased forestry spending due to the Emerald Ash Borer infestation in Shoreview.

Specific items that are impacting the levy are:

- Police and fire protection make up almost half of the levy increase. The Ramsey County Sheriff's Department is purchasing a new computer aided dispatch system, which is increasing costs. A new full-time deputy will also be added. The position was funded five years ago but never filled. Shoreview's share of this position is approximately \$30,000 to \$35,000. The Fire Department is continuing to implement a duty crew system whereby paid firefighters will be at stations as part of shift crews to respond to fire and medical emergencies. A second increase in Fire Department costs is inflation and the allocation formula of costs.
- The wage adjustment of 2% for City employees in 2013 is consistent with other cities. Health insurance will go up approximately \$70 per month. It is proposed that the City pay \$35 per month of this amount.
- Four position reclassifications will result in a net decrease in costs. However, the addition of a community development intern will add about \$10,000 in costs to the general fund.
- The amount of \$20,000 is allocated for a community survey, which is done every three years.
- Communications changes regarding supplies, contracts, postage, printing, training and subscriptions.
- Information system costs with new increased annual licensing and maintenance fees associated with software, system security, hardware and other added features.
- New forestry initiatives in response to the emerald ash borer infestation. This year an opportunity was offered to residents to treat trees under a contract the City negotiated. The treatment is effective for two to three years. The City now has the equipment to perform these treatments. It is proposed that an intern be hired to do this work over the summer and also to help with a tree inventory. This will reduce the costs of treating ash trees and hopefully better protect the City's urban forest.
- Central garage charges increased slightly due to equipment replacements.
- Election costs are deleted for 2013.
- Office machinery has decreased with the expiration of the lease buyout on old copiers.
- The EDA and HRA levies each increase \$5,000 to cover additional staff time dedicated to EDA, HRA and Economic Development Commission costs.
- Debt levies increase \$26,974 for existing debt funds. This is a modest increase despite plans to issue \$2.5 million in street rehabilitation bonds because General Fund surpluses have been allocated to the debt service fund during the last two years for this purpose.



Ms. Haapala reported that the median home value in Shoreview will decrease from \$235,700 in 2012 to \$222,200 for 2013 taxes--a 5.7% drop in value. The tax bill for 50% of homes in Shoreview will see no change in property taxes or a decrease.

Councilmember Wickstrom noted that 196 properties show a property tax decrease of 40%.

Ramsey County has indicated that 12% of home values in Shoreview will remain the same for 2013 taxes. Approximately 11% of homes will increase in value, and the remaining 77% will decrease in value. However, even with property value reductions, property taxes will increase for most property owners due to the combination of declining taxable values and levy changes.

The Homestead Market Value Exclusion (HMVE) program will continue to be in effect for 2013. The HMVE excludes a portion of market value for homes valued less than \$413,000. The effect is that the tax burden is shifted from lower valued residential property to commercial/industrial, apartment and higher valued residential property. The tax rate is increased because of the reduction in values. The tax rate is computed by dividing tax levies by the total taxable value for the taxing entity.

Mayor Martin stated that when property values go down and taxes go up, it is the Council that has to explain the reason, but there is no correlation.

Councilmember Withhart asked the time frame for property tax claims to the Tax Court of Appeals. Ms. Haapala answered that a petition to the Tax Court takes almost two years to resolve. This impacts the City's tax rate and affects how taxes are distributed among properties. With the new market value exclusion law, there are two sets of values on each home. There is the assigned value by the county and a different decreased market exclusion value.

## **Utilities**

This year the Water Fund is doing well at 37% ahead on revenue. This will help with the upcoming water treatment plant project planned in a few years. Staff is recommending a 3% increase.

Staff is recommending a 6% increase for sewer, which includes additional costs for a sewer asset management program. Although sewage flow is trending down, the discharge fee is increased.

Mr. Schwerm noted that even with the sewer lining projects that have been done, the city still falls into a category that has penalties for infiltration and inflow. This new asset management program will help identify where best to spend money for lining projects. Mr. Maloney stated that the infiltration and inflow fee is \$86,000 a year, but the City has been able to show initiatives that have offset that expense.

The recommended 10% increase for surface water is to keep pace with storm sewer needs, which is often up to 50% of costs of street projects.

Councilmember Withhart asked if this increase will continue. Ms. Haapala responded that no break in capital costs is foreseen.

### **Franchise Fees**

Franchise fees are being considered as a possibility for new revenue to fund items not now in the Capital Improvement Program (CIP). Examples include the outdoor water play area, Commons Master plan, park updates, and trail system expansion. Franchise fees are collected on a per household basis. Mr. Schwerm stated that one suggestion is establishing a Community Investment Fund utilizing a 2.5% electric and gas franchise fee revenue. The amount of 25% of annual revenue would be dedicated to grow the fund balance until a \$3 million minimum fund balance is achieved, so that interest earnings would be used and the fund would continue to serve the community in the future. It is suggested that the revenue only be used for projects with community wide benefit.

Councilmember Withhart noted that the tall tower fees have expired, and the City no longer has that revenue that was used for parks. It will be important to set the right rate from the beginning. Residents expect the City to take care of streets, but if a park is upgraded, the Council would be able to point to this fund and the fact that property taxes were not used.

Councilmember Quigley stated that the City will need to identify specifically what this increase is for in a way that makes sense to residents. He believes there is a good case for this revenue, and there is a need. The plan needs to be thought through carefully.

Councilmember Wickstrom agreed and stated that clear policies must be in place, or the money will be used for things that come up instead of planned projects.

Councilmember Huffman asked if it would be more transparent to levy for the improvements and then they would be shown on the property tax statement. Mr. Schwerm responded that one advantage of using franchise fees is that revenue would be collected from homeowners on an equal basis each month. The property tax system would allocate the levy based on the value of the home. This is why many cities dedicate the revenue to street renewal because everyone benefits more equally. Ms. Haapala added that this demonstrates revenue diversification that bond rating agencies like to see.

Mayor Martin suggested that franchise fees be part of the Council's goal-setting session to set policy and have information on approximately how much could be generated. She also would like to develop a clear policy that would state that this revenue source is protected and used for special projects to keep Shoreview a premier community and doing what other cities are not able to do.

It was the consensus of the Council to have a thorough discussion on franchise fees in 2013 and part of a goal setting exercise.

Councilmember-Elect Johnson noted that the Community Foundation is looking for a significant project. She would like to see the two entities work collaboratively.

**DISCUSSION REGARDING FIRE STATION IMPROVEMENT PROJECT**

Mr. Schwerm stated that improvements to fire stations were anticipated with the duty crew program being implemented. By 2014, fire stations will be staffed for some overnight hours. The 2013 CIP includes construction of sleeping quarters at Stations No. 2 and 4. At Station No. 2, the project will be internal renovations. At Station No. 4, there will be a small addition. The work is to be funded by the three cities of Shoreview, North Oaks and Arden Hills. Shoreview's share is just over \$300,000.

Fire Chief Tim Boehlke presented site plans for Station No. 4 on Victoria and County Road E. The project is for an addition to add sleeping quarters and bath facilities. There would also be minor changes to office and storage space. Bedrooms will meet all code requirements. Some parking spaces will be lost, but no impact is anticipated. The proposed plans will be sufficient for the foreseeable future. All firefighters are trained EMTs with response times from three to five minutes.

Chief Boehlke stated that at Station No. 2, no addition is necessary. There is plenty of space to reconfigure within the building.

The Fire Department will bid the project following all municipal guidelines for the bidding process. The Fire Board will award the contract, hopefully by late January. Construction will start in April or May.

**DISCUSSION REGARDING SANITARY SEWER ASSET MANAGEMENT INITIATIVE**

Public Works Director Mark Maloney reported that the City owns and operates over 116 miles of buried sewer pipe, more than 2100 manholes and 17 sewer lift stations. Current estimates would value the system at \$51 million. The City's Replacement Plan anticipates \$15 million in expenditures over the next 30 years, or \$500,000 per year. The City's best records show that a significant amount of infrastructure was built by private developers and dedicated to the City after development of which the City has skimpy records.

There is water leaking into the pipes, which is the reason for the \$86,000 surcharge treatment fee for sewage treatment from the City. Inspections have been ongoing and the City has been putting in liners to prevent water seeping into the lines.

Staff has been meeting with Redzone Robotics of Pittsburgh, PA, a company that has cutting edge technology for infrastructure inspection and data collection. Cost for this type of work is built into the sewer rates. This company would be able to provide a web based GIS tool and database of sewers and connections to houses. The City would be able to get an inventory of the sanitary system. Such a database would prioritize work needing to be done. Redzone is well known nationally for its ability to set up a system of infrastructure management.

Mayor Martin asked if other cities have set up such a management system. Mr. Maloney stated that Minneapolis and others have set up a type of system, but no one has used this company that staff feels would provide a turnkey product.

Councilmember Wickstrom asked the payback to the City for such a system. Mr. Maloney responded that the system Redzone would provide would be cheaper than the City continuing to televise every mile of line on a sporadic basis, and the City will receive a software system as well. Most of the data would be collected in the first year. The City will pay for the work over a five-year period. There is a fee for upgrades. Mr. Maloney added that he estimates the data collected would be good for 10 years.

Councilmember Quigley agreed that it makes sense to invest in the City's infrastructure in this way. He asked the reason for spreading payment of the cost out for five years. Mr. Schwerm answered that the company is trying to break into the Minnesota market and is willing to finance the project over the five years.

It was the consensus of the Council to move forward with this project. Staff was asked to obtain references from other cities that have used Redzone services.

The meeting adjourned at 9:15 p.m.

**CITY OF SHOREVIEW  
MINUTES  
REGULAR CITY COUNCIL MEETING  
November 19, 2012**

**CALL TO ORDER**

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on November 19, 2012.

**PLEDGE OF ALLEGIANCE**

The meeting opened with the Pledge of Allegiance.

**ROLL CALL**

The following members were present: Mayor Martin; Councilmembers Huffman, Quigley, Wickstrom and Withhart.

**APPROVAL OF AGENDA**

MOTION: by Councilmember Wickstrom, seconded by Councilmember Huffman to approve the November 19, 2012 agenda as amended.

VOTE:                      Ayes - 5                      Nays - 0

**PROCLAMATIONS AND RECOGNITIONS**

There were none.

**CITIZEN COMMENTS**

**Mr. Lee Poppe**, Shoreview-Einhausen Sister City Association (SESCA), stated that August 8 to 26, 2013, SESCO will sponsor a trip to Germany, including a one-week stay in Einhausen. All Councilmembers are encouraged to go. On Sunday, December 2, 2012, at 4:00 p.m., there will be an informational meeting at the Community Center. There is also more information on the SESCO website and in the latest issue of *ShoreViews*.

**COUNCIL COMMENTS**

**Mayor Martin:**

The Shoreview Community Foundation will hold its annual dinner on Thursday, December 6, 2012, at 6:00 p.m. in the Shoreview Community Room. The keynote speaker will be Dan Brooks, son of hockey coach Herb Brooks, who will speak about building community. All are invited to attend. A donation is requested.

The Shoreview Northern Lights Variety Band concert will be Saturday, December 8, 2012, at Bethel Great Hall at Bethel University. This is a great evening of music. Tickets are \$10, which can be purchased at City Hall or through the band's website.

There is tree trimming occurring in south central Shoreview to facilitate snow plowing this winter.

Earlier this evening, there was a tree lighting ceremony for the Commons area. Those who attended enjoyed music from the choirs at Turtle Lake School and Oak Hill Montessori School.

**Councilmember Wickstrom:**

Thank you to Mayor Martin and Councilmember Huffman for providing dessert treats and helping at the Beyond the Yellow Ribbon fundraiser on December 12, 2012. This will be a monthly event at White Bear VFW, on the second Monday.

Attended a League of Minnesota Cities meeting recently. Election reforms are being considered, including allowing early voting.

**Councilmember Huffman:**

Thank you to City staff for their work getting 87% of eligible voters in Shoreview to the polls.

**CONSENT AGENDA**

MOTION: by Councilmember Wickstrom, seconded by Councilmember Huffman to approve the Consent Agenda, for November 19, 2012, and all relevant resolutions for all item Nos. 1 through 11:

1. November 5, 2012 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes -
  - Park and Recreation Commission, September 27, 2012
  - Economic Development Authority, October 8, 2012
  - Planning Commission, October 23, 2012
3. Monthly Reports -
  - Administration
  - Community Development
  - Finance
  - Public Works
  - Park and Recreation
4. Verified Claims in the Amount of \$946,132.15
5. Purchases
6. License Applications
7. Developer Escrow Reduction
8. Cumberland Street Water Assessment

9. Change Order #2 - Floral Drive/County Road F/Demar, CP 12-01
10. Establish Project and Order Preparation of Feasibility Study for Gaston/Grove/St. Albans Neighborhood - Water Main Extension, CP 13-03
11. 2nd Amendment to Tax Increment Financing Development Agreement Phase II - Red Fox Road Retail Project (Venture Pass Partners, LLC)

VOTE:                      Ayes - 5                      Nays - 0

## **PUBLIC HEARING**

### **WELL HEAD PROTECTION PLAN, PART II**

#### **Presentation by Public Works Director Mark Maloney**

The State Wellhead Protection Rules require that the City complete its Wellhead Protection Plan Part 2. He introduced Nancy Zigler, Engineer from the WSB engineering firm who will give a presentation to the Council. John Freytag is also present from the Minnesota Department of Health, which oversees the Wellhead Protection Plan.

**Ms. Zigler** stated that the goal of the Plan is to protect ground water from contamination. Part I was completed almost two years ago. The Part I Plan completed the following: 1) delineated the Wellhead Protection area; 2) identified the Drinking Water Source Management Area (DWSMA); and 3) completed the well and aquifer vulnerability assessment. The Plan was approved by the Department of Health. The ground water in Shoreview generally flows from the northeast to the southwest.

Part II is to take the information from Part 1 to prepare a management plan. Evaluations will be made of physical environmental elements; land use; public utilities and water quantity and quality. Potential contaminants are inventoried. The Management Plan will include goals, objectives and a plan of action with evaluation.

The following information was determined in Part I of the plan:

- 750 private wells
- 29 public wells
- 1/3 of the Drinking Water Source Management Area (DWSMA) has septic tanks
- Two spill sites identified near DWSMA: TCAAP and North Oaks Golf Course; both are monitored by the Minnesota Pollution Control Agency (MPCA)

Shoreview has excellent drinking water quality which meets or exceeds federal water quality requirements.

Four goals have been determined:

1. Maintain or improve current level of quality
2. Continue to supply sufficient water quantity

3. Promote activities that protect source water aquifer
4. Collect data to support future wellhead protection efforts.

Nine management areas were identified:

- Well management
- Public education
- Storage tank management
- Septic systems
- Stormwater management
- Hazardous waste management
- Data collection
- Water conservation
- Planning and zoning

The plan details action items for the goals and management areas. Many action items have resources already available. There also are wellhead grant opportunities available.

The Plan was sent to Local Units of Government within the DWSMA on August 20, 2012 for a 60-day review. The second step is to hold this public hearing. Once accepted by the City Council, the Plan is submitted to the Department of Health for final approval.

Mayor Martin opened the public hearing. There were no comments or questions.

MOTION: by Councilmember Quigley, seconded by Councilmember Huffman to close the public hearing at 7:25 p.m.

VOTE:                      Ayes - 5                      Nays - 0

Councilmember Withhart asked how Shoreview's plan protects water flowing from northeast of Shoreview borders. How will septic waste in neighboring communities be cleaned up before getting into Shoreview ground water? **Ms. Zigler** acknowledged that cities have limited control beyond their borders. Collaboration is encouraged and public education tools can be sent to those communities.

Councilmember Withhart noted that Shoreview has some of the highest quality drinking water, which the City seeks to protect. He asked if North Oaks is planning a sanitary sewer system to replace the septic systems before that waste enters the drinking water. Mr. Maloney responded that he is not aware of plans for public infrastructure in North Oaks for a sanitary sewer system. He further explained that Shoreview wells are pulling drinking water from the Jordan Aquifer at a depth of 350 to 450 feet. Any septic system or shallow wells are not in that aquifer, but that does not mean there could not be a connection at some point.

Mayor Martin noted that the wells in North Oaks are much shallower than Shoreview's City wells, and any contamination from septic systems is likely to impact their own personal wells before any type of contamination reaches the Jordan Aquifer.



Councilmember Quigley asked what monitoring system is in place.

More specifically, Councilmember Wickstrom asked what monitoring is done on the septic systems in North Oaks to make sure ground water is not contaminated

Mr. Maloney stated that sewage systems are monitored by the MPCA. Mr. Schwerm stated that City's water is tested at each well on a regular basis. Results are reported to the Minnesota Department of Health. Septic system monitoring is required under state law. He would assume that the septic systems in North Oaks are tested and reported as are the few remaining septic systems in Shoreview.

MOTION: by Councilmember Quigley, seconded by Councilmember Withhart to adopt the Wellhead Protection Plan and direct the Public Works Director to submit the Plan to the Minnesota Department of Health.

ROLL CALL: Ayes: Huffman, Quigley, Wickstrom, Withhart, Martin  
Nays: None

## **GENERAL BUSINESS**

### **CHANGE OF ADDRESS REQUEST - THOMAS AND SITARA HILLS, 685 GRAMSIE ROAD**

#### **Presentation by City Planner Kathleen Nordine**

The request is to change the official street address of 685 Gramsie Road to 1 Waldon Lane. There is a street sign with "Waldon Lane" at the turn off to the Hills' property. A letter was received from Ramsey County asking the official address, as no record of Waldon Lane is in County records. Staff determined that the official address that was assigned when the home was built is 685 Gramsie Road.

The address of 1 Waldon Lane has been used for the property since 1964. No issues with emergency service or delivery have ever occurred according to the current property owners. Staff findings regarding this matter are:

- The property does front on Gramsie Road.
- Waldon Lane does not exist as a publicly dedicated road or approved private road.
- The address is not consistent with the City street numbering system.
- The Lake Johanna Fire Department Fire Chief and Ramsey County Sheriff's Office are not aware of any street named Waldon Lane, which may result in difficulty for emergency providers to find the property.

Staff is recommending that the official address of 685 Gramsie Road be retained. Should the Council decide to change the address, Ordinance No. 900 has been drafted for adoption.

**Mr. Tom Hills** stated that he and his family have used the address of 1 Waldon Lane for the 20 years they have lived at the property. There have been no problems with services or deliveries. Waldon Lane is shown on Google maps. He distributed a handout of information to the Council. The name Waldon is a combination of the original property owners' names, Wally and LaDon Johnson. Mr. Johnson is a well known and respected businessman, and he described a number of Mr. Johnson's accomplishments. He stated that he would like to make Waldon Lane a permanent part of Shoreview's history.

Mayor Martin stated that the emergency dispatch system has changed to a central system in Ramsey County, and dispatchers do not know the area. She stated that her preference would be to leave the sign for the driveway, but the official address should be changed to comply with City regulations. She asked the tax address. **Mr. Hills** stated that until the City identified the property as 685 Gramsie Road recently, his tax statement showed 1 Waldon Lane.

Councilmember Wickstrom expressed her appreciation of the history of the property, but not all computer map systems recognize the address. For public safety sake, she would recommend the official address be 685 Gramsie Road.

Councilmember Withhart agreed that for public safety purposes, the address should be the official City address.

City Attorney Filla stated that the City only has authority to name publicly dedicated streets. This is not a publicly dedicated street. It is a private driveway.

Councilmember Huffman stated that he is comfortable leaving the address as 1 Waldon Lane, as many services do recognize the address. If a phone is tied to an address, emergency services will have that information.

Councilmember Quigley stated that identification with phone lines is often not relevant with the rampant use of cell phones.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to retain 685 Gramsie Road as the official street address for the property owned by Thomas and Sitara Hills, Property Identification Number 26-30-23-11-0053.

Discussion:

Councilmember Wickstrom suggested keeping the sign so the name Waldon Lane continues to be associated with the property. She also suggested Mr. Hills contact Jaci Krebsbach of the Shoreview Historical Society, as she is sure there would be interest in the Waldons and the history of this property.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Martin  
Nays: Huffman

**SITE AND BUILDING PLAN REVIEW - BUETOW 2 ARCHITECTS/LAKE JOHANNA  
FIRE DEPARTMENT, 3615 VICTORIA STREET (FIRE STATION NO. 4)**

**Presentation by City Planner Kathleen Nordine**

This application is to construct a 725 square foot building addition on the south side of Fire Station No. 4 to provide four sleeping rooms and bath facilities for on-shift firefighters. Interior remodeling is also included in the plan.

The need for sleeping quarters is due to the fact that the Fire Department is implementing a Duty Crew service model for paid on-call firefighters to cover day and evening shifts. Eventually, firefighters will staff Station No. 4 in Shoreview and Station No. 2 in North Oaks 24 hours a day.

The addition will be set back 60 feet from Island Lake Park. The addition will result in the loss of four parking stalls. There will be 21 parking stalls, which are adequate. Roof runoff on the west side of the building will go into a landscaped rock bed and rain garden. Impervious surface coverage of the site is 68%, which is less than the maximum permitted.

Property owners within 350 feet were notified of the proposal. No concerns were received. The Planning Commission reviewed the proposal and recommended approval. Staff is recommending approval subject to the conditions and findings in the staff report.

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to approve the Site and Building Permit Review application submitted by Buetow 2 Architects on behalf of Lake Johanna Fire Department for a building addition at Station #4, 3615 N. Victoria Street, subject to the following conditions:

1. The site shall be developed in accordance with the plans submitted. Minor modifications may be made to the plans, subject to approval by the City Planner. Significant changes to the plans require review and approval through the Site and Building Plan review process.
2. Approval of the final drainage, utility, and erosion control plans by the Public Works Director prior to the issuance of a building permit.
3. The Building Official is authorized to issue a building permit for the project, upon satisfaction of the conditions above.

This approval is based on the following findings of fact:

1. The proposed land use is consistent with the designated Institutional land use in the Comprehensive Plan.
2. The building addition and use of the property by the Fire Department will not impede or otherwise conflict with the planned land use of the surrounding property.
3. The building addition will enable the Fire Department to implement their new duty crew service model and improve response times and public safety.

**Discussion:**

Councilmember Wickstrom noted the issue with water service and asked if that will be resolved. Mr. Maloney stated that the question will be clarified and addressed during construction.

Mayor Martin asked if there is room for future expansion or for a drive around the building. Ms. Nordine stated that the Fire Chief has indicated that this will meet their needs. It was noted that the station already has a drive through design.

ROLL CALL:           Ayes: Wickstrom, Withhart, Huffman, Quigley, Martin  
                          Nays: None

**APPROVAL OF 2013 CURBSIDE RECYCLING BUDGET, CITY RECYCLING FEE  
AND AUTHORIZE SANITARY SEWER ASSET MANAGEMENT SERVICES**

**Presentation by Public Works Director Mark Maloney**

Since 1991, the City has had a Joint Powers Agreement with Ramsey County, so that the County is a collection mechanism for the recycling fee. Spring and Fall Cleanup Days are provided with the fees. The City has annually received a SCORE grant for recycling services, which amounts to approximately \$52,000. Revenue from the program is estimated at \$547,980. Expenses for the program are estimated to be \$504,168.

An increase in the fee from \$40 to \$42.00 per household is requested for funding the increased cost for Fall and Spring Cleanup Days. Also, the contract cost is increasing. The City is working to realize a cash flow that would fund the program an entire year.

Staff's recommendation is to approve the fee increase, the recycling budget and SCORE grant application.

Mr. Schwerm noted that most other plastics, not previously included as part of the recycling program, can now be added into the single sort recycling.

At this time Councilmember Huffman had to leave the meeting.

MOTION:           by Councilmember Wickstrom, seconded by Councilmember Withhart, to adopt resolution No. 12-101 approving the 2013 curb-side recycling budget, City recycling fee, and authorizing request of SCORE funding allocation.

ROLL CALL:           Ayes: Quigley, Wickstrom, Withhart, Martin  
                          Nays: None

**AUTHORIZATION OF PROFESSIONAL SERVICES AGREEMENT WITH REDZONE ROBOTICS SANITARY SEWER ASSET MANAGEMENT SERVICES**

**Presentation by Public Works Director Mark Maloney**

The 2013 budget includes initiation of a sanitary sewer asset management database. The City has 2100 manholes, 17 lift stations and 116 miles of buried pipe that make up the system. The current projection for replacement costs over the next 30 years is \$15 million. Work projects are based on inspections using video records, reports and backups. Less than 25% of the system has been televised, which means there is not relevant current condition data of the system. There are accurate records and drawings, but most of the infrastructure was built through private development. To continue with televised inspections a few miles at a time, the information will be obsolete by the time the entire system has been completed. The City will not have an entire picture of the whole system. The proposed asset management system will provide better system information for prioritizing projects, reducing sewer backups, supporting redevelopment and assisting in setting rates. It will also reduce I & I and sewer treatment costs, which is a current budget item of \$1.7 million.

Staff has been investigating how to put together an asset management system. RedZone Robotics is known for the data collection, which is integrated into a complete web based management system. It would use the City's existing GIS system for maps.

The proposed agreement with RedZone Robotics would include: 1) robotic data collection and integration; 2) software installation and support; and 3) staff training. The total cost is \$609,695 or \$121,939 per budget year over a period of five years. The proposed operating budget for 2013 anticipates this expenditure. Staff is recommending authorization of the agreement with RedZone Robotics for Sanitary Sewer Asset Management Services.

Mayor Martin stated that this is in keeping with the long-range planning that is done in Shoreview to look ahead and implement programs to keep the City's assets up to date and in good condition.

Councilmember Withhart commended staff on this proactive approach. He asked how this compares in cost with the relining replacement work over the next 10 years. Mr. Maloney stated that the estimated \$15 million over the next 30 years may not be accurate. It is based on past history, not an accurate assessment of the condition of the system.

Councilmember Wickstrom asked if there will be credit from the Metropolitan Council for I & I for this system. Mr. Maloney stated that this system will identify projects that will specifically deal with I & I issues. Also, this one effort on the part of the City will be economy of scale and less expense than the time it would take to continue with the piece meal approach that has been done in the past.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to authorize a Professional Services Agreement with RedZone Robotics, Inc. for Sanitary Sewer Asset Management Services.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Martin  
Nays: None

**ADJOURNMENT**

MOTION: by Councilmember Withhart, seconded by Councilmember Quigley to adjourn the meeting at 8:45 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE \_\_ DAY OF \_\_\_\_\_ 2012.

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Terry C. Schwerm  
City Manager

## **PUBLIC SAFETY COMMITTEE**

**November 15, 2012**

**CALL TO ORDER:** The Public Safety meeting came to order at 7:00 p.m.

### **ROLL CALL:**

Those in attendance were: Mary Ann Johnson, Jorgen Nelsen, Marc Pelletier, Gil Schroepfer, Jeff Tarnowski, Mendee Tarnowski, Walter Johnson, Terry Schwerm, Eric Nordeen (Assistant Fire Chief) Jeff Czyson and Dave Matteson (Allina) and Animal Control Officer Mike Nelson (Sheriff's Office).

**APPROVAL OF MINUTES:** Minutes of September 20, 2012 were approved.

**CITIZENS' COMMENTS:** None

### **ALLINA TRANSPORT:**

Dave Matteson introduced Jeff Czyson who is in charge of all ambulance operations in the Twin City area. He reported:

- They are looking at three possible ambulance posting sites near Lexington and I 694. Currently they are using Vadnais Heights Fire Station 1.
- He reported on response times, the standard being 90% of code 3 runs arriving within 10 minutes and 51 seconds. Their year to date average is 7min. 51sec. 91% of the time. With feedback information from ambulances they have discovered occasional 90 mph speeds on freeways and have instituted initiatives to slow things down. In some critical cases such as cardiac arrests speed is important. Even then, with automatic defibrillators in police cars fire trucks and in many buildings, some responses may be slowed a bit for safety. Most runs may need quick attention, but are not life-threatening. There have been 195 code 3 runs in Shoreview in the first 3 quarters of the year, and 85 code 2 runs.

### **FIRE DEPARTMENT:**

- Eric Nordeen reported that 4 new on-call people are going through orientation. They have previous fire-fighting experience.
- Station additions plans are on track with overnight crew coverage expected to begin in 2014.
- One pickup truck will have its bed replaced with a utility box for more versatility when called for medical runs.
- FEMA called for more information on the grant request for SCBA gear. That is said to be a good sign and would save the cities quite a lot. They need to be replaced in 2015. The Fire Department has asked for enough to cover costs for 60 units although they could use 70. The cities cost would be 10%.
- Q: What does the duty crew do when not responding?  
A: It keeps busy: Cleans all stations eliminating the need for a cleaning service, does truck maintenance and cleaning and does some station maintenance and construction depending on the background skills of the individuals. Crews also engage in public fire safety education.

**SHERIFF'S REPORT:**

- Schwerm handed out crime statistics and reported the numbers don't seem to change much from previous years, however burglaries are up some and ID theft down. He then introduced Mike Nelson the Animal Control Officer.
- Nelson reported that he had started the new position in June and that the majority of calls have been nuisance situations rather than dangerous. He noted that there is often a lot of emotion involved. He is working on breaking down information for detailed statistics. There have been more calls in Shoreview than in the other cities.
- Schwerm noted that there has been better control service since the new position was created and that Mike works to educate people and has a personality that works well this way. His approach is "let's be neighborly". There have been no citations yet, but they probably will come.
- He noted there has been one non-compliance with dangerous dog regulations, but the people are apparently moving out of Shoreview.
- He only handles domesticated animals. If a deer is injured he will call a deputy since he is unarmed. Otherwise, his work allows deputies to do their policing work. He mostly works 9-5 but will adjust hours to service complaints.

**CITY MANAGER'S UPDATE**

- Terry Schwerm gave a development update. He noted that development near Victoria and County Road E includes a move by PAR to the site of the old Sheriff's Patrol Station on County Road E. They will expand the size of the building.
- TSI on Cardigan Road will expand by 56,000 square feet and 180 new jobs.
- Senior housing next to Fire Station 2 on Hodgson Road is scheduled to open on December first. It will offer senior living, assisted living and a memory care unit.
- The retail center on Red Fox Road is open with a couple more businesses to be added.

**LIAISON REPORT:** None**ADJOURNMENT:** The meeting adjourned at 7:45 p.m.



# **Minutes**

## **ENVIRONMENTAL QUALITY COMMITTEE**

**November 26th, 2012 7:00 PM**

### **1. CALL TO ORDER**

The meeting was called to order at approximately 7:05PM

### **2. ROLL CALL**

Members present: Scott Halstead, Tim Pratt, Lisa Shaffer-Schreiber, John Suzukida, Susan Rengstorf, Dan Westerman Mike Prouty

Members absent: Len Ferrington, Katrina Edenfeld,

Staff present: Jessica Schaum

### **3. APPROVAL OF AGENDA**

The agenda was approved with no changes.

### **4. APPROVAL OF MEETING MINUTES – October 22nd, 2012**

The minutes were approved with no changes.

### **5. BUSINESS**

#### **A. GreenStep Cities presentation – Mankato State University students: Zack Ellsworth, Jeff Alger, Edward Burrough**

Students Zack and Jeff gave a brief description of the program and their involvement with putting together Shoreview's inventory. They reviewed City documents and plans and interviewed City staff. According to their findings, Shoreview has completed 22 of 28 best practices outlined by the program already, and has also completed about 62 of 168 possible action steps. The City needs a policy to purchase EnergyStar certified appliances – a required best practice the City narrowly missed. After that policy is adopted, the next steps for the City to move forward is to pass a resolution and send the inventory checklist to the MN Pollution Control Agency for verification.

*Lisa made a motion to both require the City to adopt a policy to require EnergyStar certified appliances when replacements are necessary, and to recommend that the City Council pass a resolution to become a GreenStep City. John seconded, all were in favor.*

#### **B. 2013 Speaker Series. All four speakers are confirmed for the series.**

##### **a. The 3<sup>rd</sup> Wednesday of each month, January through April in the City Council Chambers at 7:00pm.**

- i. Jan 16: Wayne Gjerde**, MN Pollution Control Agency. What Happens to our Recycling?
- ii. Feb 20: John Suzukida**, How Can you Reduce Energy Consumption in your Home?
- iii. March 20: John Moriarty**, Ramsey County Parks. Trees: The Good, the Bad, the Ugly.
- iv. April 17: Tony Runkel**, with the MN Geological Survey. Where does our water come from?

##### **b. Advertising.**

- i.** Posters will be placed in the newspaper, Facebook, the City's website, public access channel, posters around town (ie the Library, the Housing Resource Center), the City's reader board, and even in other cities. Jessica will send out the poster once finalized for members to hang up and share.

C. Newsletter Topics

- a. **New schedule was shared.** Next up is on display for March/April– deadline to submit is January 15<sup>st</sup>, will be mailed first week of March. Brainstorming ideas included:
  - i. Tree sale - Jessica
  - ii. Water use and costs – John
  - iii. Dye taps from the PCA to test for leaks – Tim?
  - iv. Community garden benefits
  - v. How to start composting – Tim

D. Public Works Update

- a. The Ramsey County SCORE grant was prepared to help defray the costs of the City's recycling contract and clean-up day. The City's recycling fee per household was also set at \$42.00 per household, a \$2.00 increase from 2012.
- b. Emerald Ash Borer branch sampling results- The City partnered with the Department of Agriculture to conduct branch sampling to inspect possible Emerald Ash Borer (EAB) infestations in the Shamrock Park neighborhood. The City provided the equipment and labor to sample branches of 20 boulevard ash trees by removing 10 foot sections from the tree canopy utilizing the bucket truck. This time of year is perfect for trimming ash trees and moving the firewood as there is no risk of EAB flying, however the left over brush will be disposed of according to the quarantine guidelines.

The Dept of Agriculture took 5-6 foot sections about 3-4 inches in diameter, and will peel back the bark to look for EAB larvae. Each of these sections were numbered and plotted on a map. This type of branch sampling will help determine EAB density and reach around the Shamrock Park neighborhood. Results showed that 2 trees were infested. Jessica will be doing additional visual surveys with a Department of Agriculture surveyor this week.

- c. MN Environmental Congress – Jessica shared information from Len about an opportunity to attend a Citizen's Forum on the environment hosted by Governor Dayton.
- d. Energy Services Coalition- Guaranteed Energy Savings Program Dec 7<sup>th</sup> @Xcel – Jessica shared this workshop opportunity with the Committee.
- e. Speaker for EQC meeting – The Committee would like to have someone familiar with the utilities and water system come to the January meeting to discuss conservation measure the City is taking/could explore further.

E. Other

- a. No December meeting: next regular meeting is January 28<sup>th</sup>, 2013.  
\*\*For January – the Committee needs to set up the schedule for the 2013 awards application process.

F. Adjournment

The Committee adjourned at approximately 8:42.

## MOTION SHEET

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

To approve the following payment of bills as presented by the finance department.

Date	Description	Amount
11/16/12	Accounts payable	\$16,202.36
11/19/12	Accounts payable	\$367,901.44
11/21/12	Accounts payable	\$103,656.47
11/28/12	Accounts payable	\$88.00
11/29/12	Accounts payable	\$201,933.93
12/03/12	Accounts payable	\$43,591.51
<b>Sub-total Accounts Payable</b>		<b>\$ 733,373.71</b>
11/30/12	Payroll 124742 to 124786 959645 to 959824	\$161,298.00
<b>Sub-total Payroll</b>		<b>\$ 161,298.00</b>
<b>TOTAL</b>		<b>\$ 894,671.71</b>

ROLL CALL:	AYES	NAYS
Huffman		
Quigley		
Wickstrom		
Withhart		
Martin		

12/03/12

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
A TO Z PARTY SUPPLIES.COM	NEW YEARS EVENT: BALLOONS	225	43580	2172		002		\$162.93	\$162.93
ALFUTH, APRIL	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
AMAZON.COM	HEADSET CABLE	101	40550	2010		001		\$33.76	\$33.76
AMAZON.COM	PHONE HEADSET REPLACEMENT	101	40550	2010		004		\$154.14	\$154.14
AMAZON.COM	PHONE HEADSET CABLE	101	40550	2010		001		\$68.39	\$68.39
AMAZON.COM	HEADSET REPLACEMENT	101	40550	2010		001		\$129.99	\$129.99
AMAZON.COM	PORTABLE SCREEN	220	43800	2010		001		\$399.00	\$399.00
ARDELEANU, IRINEL	Election Judge Payment	101	40300	1050				\$131.25	\$131.25
BALLOON WAREHOUSE.COM	NEW YEARS EVENT: BALLOON DROP	225	43580	2172		002		\$194.96	\$194.96
BEISSEL, MARGARET	Election Judge Payment	101	40300	1050				\$108.75	\$108.75
BERGENE, JOHN	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
BETKER, STEVE	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
BLAHOSKY, DEBRA	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
BLOMBERG, JANICE	Election Judge Payment	101	40300	1050				\$56.25	\$56.25
BOHNEN, SARAH	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
BORGOS, LINDA	Election Judge Payment	101	40300	1050				\$127.50	\$127.50
BURT, DOUGLAS	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
CALLAGHAN, HELEN	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
CALLANDER, HARLOW	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
CARLSON, GAIL	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
CARNEY, JOHN	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
CARROLL, ANNE	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
CASEY, KATHLEEN	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
CENTURY COLLEGE	MICROSOFT EXCEL CLASS BOOK	220	43800	4500				\$39.95	\$39.95
CENTURY COLLEGE	MICROSOFT WORD CLASS BOOKS	101	40500	4500		002		\$64.90	\$64.90
CHRISTENSEN, BONNIE	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
CLASEMAN, ANNE	Election Judge Payment	101	40300	1050				\$148.75	\$148.75
CLASSIC COLLISION CENTER	PREMIUM FUEL	701	46500	2120		003		\$115.43	\$115.43
COMCAST.COM	MODEM 2 INTERNET CHARGES: OCT 12	230	40900	3190		002		\$126.90	\$126.90
COMCAST.COM	COMPLEX STAFF INTERNET SERVICES: NOV 12	230	40900	3190		002		\$75.81	\$75.81
CONNOLLY, MICHAEL	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
CONSTANT CONTACT.COM	EMAIL MARKETING SERVICE	459	43800	3190				\$40.00	\$80.00
		225	43400	4330				\$40.00	
CUMMINGS, DAVE	Election Judge Payment	101	40300	1050				\$144.38	\$144.38
CUMMINGS, SUE	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
DAHLKE, ROBERTA	Election Judge Payment	101	40300	1050				\$157.50	\$157.50
DAHLKE, WILLIAM	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
DECKER, BEVERLEY	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
DEHN, ANN	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
DEVANE, PATRCK	Election Judge Payment	101	40300	1050				\$71.25	\$71.25
DOLAN, FRAN	Election Judge Payment	101	40300	1050				\$196.88	\$196.88
ECKMAN, KAREN	Election Judge Payment	101	40300	1050				\$153.13	\$153.13
EL HALAWANI, WAJIHA	Election Judge Payment	101	40300	1050				\$71.25	\$71.25
ELGAARD, LEONE	Election Judge Payment	101	40300	1050				\$114.38	\$114.38
ELLIOTT, LUCY	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
ERICKSON, LYNN	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
EVENT BRITE.COM/SPRINGSTED	UPPER MIDWEST SPRINGSTED SYMPOSIUM	101	40500	4500		012		\$125.00	
FAGERBERG, SANDRA	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
FISCHER, MARK	Election Judge Payment	101	40300	1050				\$148.75	\$148.75
FRESH & NATURAL FOODS	BENEFITS FAIR SUPPLIES	101	40210	4890		001		\$46.43	\$46.43
FULLER, SUSAN	Election Judge Payment	101	40300	1050				\$71.25	\$71.25

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
GAG, JAMES	Election Judge Payment	101	40300	1050				\$48.75	\$48.75
GARVEY, DONALD	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
GASCHOTT, ERIN	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
GASCHOTT, LAURIE	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
GIRARD, ALLEN	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
GOLD MEDAL PRODUCTS.COM	POPCORN MACHINE RECEPTACLE-WAVE CAFE	220	43800	2590		002		\$19.65	\$19.65
GREEN MILL PIZZA	HEAD JUDGE TRAINING SUPPLIES	101	40300	2180				\$91.38	\$91.38
GREENHECK, TWILA	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
HANNA, SANDRA	Election Judge Payment	101	40300	1050				\$48.75	\$48.75
HANSEN, NANCY	Election Judge Payment	101	40300	1050				\$56.25	\$56.25
HANSON, JEAN	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
HARAM, SUSAN	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
HAYES-BURT, LISA	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
HOKKALA, GENE	Election Judge Payment	101	40300	1050				\$108.75	\$108.75
HOKKALA, MARILYN	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
HOLM, JEANNE	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
HOUSE, DAN	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
HUEBSCH, CATHERINE	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
HUTTERER, DEBORAH	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
I STOCK PHOTO LP.COM	CREDITS TO BUY MARKETING STOCK IMAGES	101	40200	4890		001		\$540.00	\$540.00
IVERSON, KATHY	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
JENSEN, SYD	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
JOHNSON, JANICE	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
JOHNSON, JUDY	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
JOHNSON, MARY LOU	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
JUREK, DON	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
KARL, EILEEN	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
KEATING, GENE	Election Judge Payment	101	40300	1050				\$131.25	\$131.25
KELLEY, DEBORAH	Election Judge Payment	101	40300	1050				\$56.25	\$56.25
KERR, MARY	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
KEUHN, WILLIAM	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
KREBSBACH, JACCI	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
KRINKIE, CAROLYN	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
KROISS, SUSAN	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
LABERGE, CINDY	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
LARSON, ROSE	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
LEEANN CHIN.COM	EDA SUPPLIES	240	44400	2180		001		\$114.42	\$114.42
LESCH-GORMLEY, MARY	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
LOFGREN, CRAIG	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
LYSIAK, GARRETT	Election Judge Payment	101	40300	1050				\$127.50	\$127.50
MARCHETTI, ROLEEN	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
MARTIN, PHYLLIS	Election Judge Payment	101	40300	1050				\$127.50	\$127.50
MASLANSKY-TAKAHASHI, ANN	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
MASSINGALE, SHELLY	Election Judge Payment	101	40300	1050				\$183.75	\$183.75
MATTHEWS, DAVE	Election Judge Payment	101	40300	1050				\$71.25	\$71.25
MATTISON, DOROTHY	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
MATTISON, ROGER	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
MCCANNA, BRAD	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
MCCANNA, JOAN	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
MCDONALD, BOB	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
MINNESOTA GFOA.COM	SEMINAR: INVESTMENT/FINANCIAL PLANNING	101	40500	4500		012		\$50.00	\$50.00

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
MINNESOTA SAFETY COUNCIL	SAFETY COMMITTEE SUPPLIES-BENEFITS FAIR	101	40210	4890		008		\$109.95	\$109.95
MOECKEL, ROSE	Election Judge Payment	101	40300	1050				\$153.13	\$153.13
MONTEITH, RICHARD	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
MOORE, LYNN	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
MOORE, PATRICK	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
MOORE, PHYLLIS	Election Judge Payment	101	40300	1050				\$179.38	\$179.38
MULHOLLAND, JAMES	Election Judge Payment	101	40300	1050				\$140.00	\$140.00
MUNICH, JOHN	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
MURAKAMI, JUDITH	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
NATIONAL CAMERA EXCHANGE	DIGITAL SLR 1 CLASS: ANDERSON, C	101	40200	4500		005		\$42.84	\$42.84
NELSON, DAVE	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
O'NEILL, MARY	Election Judge Payment	101	40300	1050				\$114.38	\$114.38
OLSON, HOWARD	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
OMAN, LORI	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
ORLOWSKI, ALEX	Election Judge Payment	101	40300	1050				\$48.75	\$48.75
OTTO, SHEILA	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
OVERMOEN, MADISON	Election Judge Payment	101	40300	1050				\$54.38	\$54.38
PATERSON, JENNIFER	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
PEDERSON, LINDA	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
PETERS, SYLVIA	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
PETERSON, KENT	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
PFEIFFER, JUNE	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
PHILLIPS, CONNIE	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
QUIGLEY, KAY	Election Judge Payment	101	40300	1050				\$56.25	\$56.25
QUIGLEY, TERENCE	Election Judge Payment	101	40300	1050				\$93.75	\$93.75
REI	THE STICK-FITNESS SUPPLIES	220	43800	2180		001		\$84.95	\$84.95
REIGSTAD, BARBARA	Election Judge Payment	101	40300	1050				\$48.75	\$48.75
RENGSTORF, SUSAN	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
ROO, LAWRENCE	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
SAVOIE, PHILIP	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
SCHAEFER, JOAN	Election Judge Payment	101	40300	1050				\$131.25	\$131.25
SCHWARTZ, JIM	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
SEIDEL, MARY	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
SELTZ, MURIEL	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
SELTZ, ROLLIE	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
SETLEY, DOUG	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
SHAFFER, JANICE	Election Judge Payment	101	40300	1050				\$52.50	\$52.50
SHIBROWSKI, DOREEN	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
SIMMER, WANDA	Election Judge Payment	101	40300	1050				\$128.63	\$128.63
SIMON, LOIS	Election Judge Payment	101	40300	1050				\$67.50	\$67.50
SINA, CANDICE	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
SINA, DAVID	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
SMITH, MARLEEN	Election Judge Payment	101	40300	1050				\$71.25	\$71.25
SORENSEN, HELEN	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
SOYETT, MARYLAND	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
SPRINT.COM	BLUETOOTH HEADSET	101	44300	2010				\$85.69	\$85.69
STEPKA, BEV	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
STEPKA, JOE	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
STOTTLEMYER, JEAN	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
STOWERS, PATTI	Election Judge Payment	101	40300	1050				\$63.75	\$63.75
SUBLIME HQ PTY LTD	PROGRAMMING TOOL	101	40550	2180		006		\$118.00	\$118.00

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
SULLIVAN, MARSHA	Election Judge Payment	101	40300	1050				\$125.63	\$125.63
TASTE OF SCANDINAVIA	WEB MEETING SUPPLIES	101	40200	4890		001		\$181.95	\$181.95
TASTE OF SCANDINAVIA	EDA/EDC MEETING SUPPLIES	101	40100	4890		002		\$80.30	\$80.30
TEERLINCK, JUDITH	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
TODD, JILL	Election Judge Payment	101	40300	1050				\$60.00	\$60.00
TRANSACT SUPPLIES	ETHERNET ADAPTER FOR PRINTER	101	40550	2010		001		\$177.09	\$177.09
TROXEL, ELEANORE	Election Judge Payment	101	40300	1050				\$116.25	\$116.25
TUCKER, LORRAINE	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
UNITED STATES POST OFFICE	STAMPS FOR RESALE AT FRONT DESK	101	40200	3220				\$1.75	\$181.75
		101	11800					\$180.00	
WABASHA STREET CAVES	FINAL PAYMENT DOWN IN HISTORY TOUR	225	43590	3174		002		\$100.00	
WATTERS, KEVIN	Election Judge Payment	101	40300	1050				\$127.50	\$127.50
WEGLEITNER, BARBARA	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
WENNER, GERALD	Election Judge Payment	101	40300	1050				\$120.00	\$120.00
WENNER, KRIS	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
WHEREATT, GAIL	Election Judge Payment	101	40300	1050				\$112.50	\$112.50
WYCKOFF, PETER	Election Judge Payment	101	40300	1050				\$71.25	\$71.25
ZANDSTRA, PAULA	Election Judge Payment	101	40300	1050				\$78.75	\$78.75
ZIEPER, RUTH	Election Judge Payment	101	40300	1050				\$75.00	\$75.00
Total of all invoices:								\$16,202.36	

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
T-MOBILE	T MOBILE WATER TOWER CARD	601	45050	3190			-\$63.12	-\$63.12
C W HOULE INC.	FLORAL,DEMAR,CO RD F 12-01 PYMNT NO 4	570	47000	5900			\$361,847.94	\$361,847.94
FLEET FARM/GE CAPITAL RETAIL B	SUPPLIES	101	42200	2180		003	\$108.73	\$108.73
LOFFLER	LEASE RETURN FEE FOR 3 COPIERS	101	40200	3930		001	\$1,603.13	\$1,603.13
LOFFLER	LEASE RETURN FEE FOR 1 COPIER	101	40200	3930		001	\$534.38	\$534.38
MENARDS CASHWAY LUMBER **FRIDL	TAPE	601	45050	2280		003	\$42.43	\$42.43
MENARDS CASHWAY LUMBER **FRIDL	GLOVES AND TOOLS	601	45050	2400		001	\$42.92	\$72.74
		601	45050	2280		001	\$29.82	
METRO LEASING COMPANY	PUSH PEDAL PULL CARDIO LEASE - NOV 2012	220	43800	3960			\$1,445.35	
RICOH AMERICAS CORPORATION	LEASE CITY HALL COPIERS	101	40200	3930		002	\$2,199.88	\$2,199.88
T-MOBILE	T MOBILE WATER TOWER CARD	601	45050	3190			\$63.12	
ULINE	VELCRO STRAP	101	40550	2010		001	\$46.86	\$46.86
Total of all invoices:								\$367,901.44



## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
AARP C/O RAY MURRAY	DEF DRIVING 21 PART	225	43590	3174		003		\$278.00	
AMSAN BRISSMAN KENNEDY	CLEANING SUPPLIES CC	220	43800	2110				\$155.95	\$155.95
BEISSWENGERS HARDWARE	REPAIR SUPPLIES CC	220	43800	2240		001		\$63.72	\$63.72
COCA COLA REFRESHMENTS	WAVE CAFE BEVERAGE FOR RESALE	220	43800	2590		001		\$414.14	\$414.14
DYNAMEX DELIVERS NOW/ROADRUNNE	DELIVERY TO EAGAN POST OFFICE - 11/1/12	601	45050	3220	001			\$23.12	\$46.24
		602	45550	3220	001			\$23.12	
EMERT, CAROL	MILEAGE REIMBURSEMENT/NIHCA MEETING	101	43400	3270				\$43.85	
FRATTALONE COMPANIES, INC.	EROSION RED 3836 LEXINGTON AVE RES 12-99	101	22030					\$1,000.00	\$1,000.00
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.33	\$15.33
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.33	\$15.33
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.21	\$16.21
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.00	\$134.20
		220	43800	2591		003		\$119.20	
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.36	
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2591		003		\$28.71	\$28.71
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.00	\$134.19
		220	43800	2591		003		\$119.19	
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.21	
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
HEGGIE'S PIZZA LLC	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$313.60	\$313.60
MALONEY, MARK J.	MILEAGE REIMBURSEMENT	101	42050	3270				\$205.19	\$205.19
MATHESON TRI-GAS INC	CO2 FOR WHIRLPOOL	220	43800	2160		002		\$89.93	\$114.05
		220	43800	2200		001		\$24.12	
MIDWEST SPECIAL SERVICES, INC	COMMUNITY CENTER CLEANING	220	43800	3190		002		\$240.47	
MINNESOTA DEPARTMENT OF REVENUE	SALES USE TAX: OCTOBER 2012	220	21810					\$10,762.00	\$14,522.00
		701	46500	2120		003		\$138.00	
		601	21810					\$2,572.00	
		101	40200	2010		006		\$2.00	
		101	40300	2180				\$11.82	
		101	40550	2010		001		\$11.06	
		101	40550	2010		003		\$3.30	
		101	40550	4330		002		\$13.68	
		101	42050	4500				\$9.62	
		101	43400	2010		004		\$12.30	
		220	43800	2200		002		\$36.00	
		220	43800	2240				\$59.38	
		220	43800	2240		003		\$84.56	
		220	43800	3190		007		\$43.88	
		220	43800	3960				\$73.29	
		220	43800	4500				\$2.06	
		225	43510	3190		015		\$239.15	
		225	43520	3190		002		\$43.88	
		225	43555	2170				\$8.45	
		225	43580	2172		001		\$35.94	
		230	40900	3890				\$7.81	
		405	43710	3810				\$366.03	

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
		101	40100	4890		002	-\$ .19	
		101	40200	3210		003	-\$3.22	
		101	40200	3220			-\$ .37	
		101	40200	3930		002	-\$5.13	
		101	40200	4500		005	-\$ .10	
		101	40200	4890		001	-\$ .42	
		101	40300	2180			-\$ .19	
		101	44300	2010			-\$ .20	
		220	43800	2160		002	-\$ .21	
		220	43800	2240		001	-\$ .83	
		220	43800	2240		002	-\$ .34	
		225	43535	2170		002	-\$ .21	
		225	43560	2170			-\$ .63	
		225	43580	2170		002	-\$ .55	
		225	43580	3172		002	-\$1.62	
MINNESOTA METRO NORTH TOURISM	OCT HOTEL/MOTEL TAX/3 SITES	101	38420				-\$1,053.61	\$20,018.56
		101	22079				\$21,072.17	
CONNELL, MICHAEL	EROSION RED 5486 LAKE RES 12-99	101	22030				\$500.00	
ORLOWSKI, ALEX	ELECTION JUDGE TRAINING	101	40300	1050			\$15.00	\$15.00
PLUG'N PAY TECHNOLOGIES INC.	OCT/ECOMM/CC FEES	220	43800	4890		002	\$5.54	\$15.00
		225	43400	4890			\$9.46	
PLUG'N PAY TECHNOLOGIES INC.	OCT/RETAIL/CC FEES	220	43800	4890		002	\$183.53	
		225	43400	4890			\$32.39	\$215.92
POSTMASTER	DEPOSIT IN PERMIT IMPRINT #5606 - ZONE 2	602	45550	3220			\$500.00	
		601	45050	3220			\$500.00	\$1,000.00
PRINTING RESOURCES INC	UTILITY BILL FORMS	601	45050	2010		001	\$478.26	
		602	45550	2010		001	\$478.27	\$956.53
PURE BLUE SWIM SHOP	SWIM SUPPLIES FOR RESALE	220	43800	2591		002	\$986.19	\$986.19
Q3 CONTRACTING	RESTO LAKE BEACH AREA PROJ 12-06	604	42600	5300			\$1,431.05	
SALAYMEH, SAMER	FACILITY REFUND	220	22040				\$300.00	\$300.00
TARGET COMMERCIAL INVOICE	BINGO/SENIOR SUPPLIES	225	43590	2174		002	\$129.73	
TDS METROCOM	TELEPHONE SERVICES	101	40200	3210		003	\$1,137.13	
		101	43710	3210			\$253.65	
		601	45050	3210			\$35.35	
TYCO INTEGRATED SECURITY LLC	12/1-2/28/13 SERVICES	101	40210	3190		009	\$87.83	\$87.83
U S BANK/REVTRAK	OCT 2012 CREDIT CARD FEES	101	44300	4890			\$367.07	\$6,884.02
		101	40500	4890		008	\$20.50	
		220	43800	4890		002	\$2,580.92	
		225	43400	4890			\$622.31	
		601	45050	4890		003	\$1,646.61	
		602	45550	4890		003	\$1,646.61	
U.S. BANK	TREADMILL LEASE/ONE SOURCE FIT/NOV 2012	220	43800	3960			\$1,065.99	
UPPER CUT TREE SERVICES	PRIVATE TREE REMOVAL W012-32	101	43900	3190		003	\$1,629.37	\$1,629.37
UPPER CUT TREE SERVICES	PRIVATE TREE REMOVAL W012-28	101	43900	3190		003	\$1,131.24	\$1,131.24
WAGER CONSTRUCTION	EROSION RED 3300 RICHMOND RES 12-99	101	22030				\$500.00	\$500.00
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001	\$358.12	\$461.20
		101	40800	2180			\$103.08	
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	101	40800	2180			\$172.13	
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001	\$1,390.54	\$1,446.11
		220	43800	2591		003	\$55.57	
XCEL ENERGY	TRAFFIC SIGNAL SHARED W/ARDEN HILLS	101	42200	3610			\$33.82	\$33.82

## COUNCIL REPORT

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## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
WILS - WOMEN IN LEISURE SERVIC	WILS MEETING- BS/JR/SK/DF	225	43400	4500			\$88.00	\$88.00
							Total of all invoices:	\$88.00

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
ACTION PLASTIC SALES INC	RED BAGS FOR HYDRANTS	601	45050	2280		003	\$262.95	
BACHA, MARY	FACILITY REFUND	220	22040				\$7.75	\$7.75
CCE REISTRATION	MALONEY/WESLOWSKI	101	42050	4500			\$705.00	\$705.00
COMMISSIONER OF REVENUE- WH TA	WITHHOLDING TAX - PAYDATE 11/30/12	101	21720				\$9,553.66	\$9,553.66
CROWL, MARIA	ACTIVITY REFUND	220	22040				\$18.00	\$18.00
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 11/23/12	101	20431				\$436.67	\$688.00
		101	20432				\$251.33	
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 11/28/12	101	20431				\$104.41	\$1,344.00
		101	20432				\$1,239.59	
HAWKINS, INC.	POOL & WHIRLPOOL CHEMICALS	220	43800	2160		001	\$1,584.13	\$1,584.13
ICMA/VANTAGEPOINT TRANSFER-300	EMPLOYEE CONTRIBUTION PYPRD END:11-23-12	101	21750				\$4,288.96	\$4,288.96
ICMA/VANTAGEPOINT TRANSFER-705	ROTH CONTRIBUTIONS: PAYDATE 11/30/12	101	20430				\$265.00	\$265.00
MATHESON TRI-GAS INC	OXYGEN FOR FIRST AID	220	43800	2200		001	\$92.40	\$92.40
MENARDS CASHWAY LUMBER **FRIDL	GLOVES AND SPOT LIGHT	601	45050	2400		001	\$85.34	\$97.41
		601	45050	2280		001	\$12.07	
MENARDS CASHWAY LUMBER **FRIDL	GLOVES	601	45050	2280		001	\$11.97	
METROPOLITAN COUNCIL ENVIRONME	SAC CHARGES FOR OCTOBER 2012	602	20840				\$68,585.00	\$67,899.15
		602	34060				-\$685.85	
MINNESOTA POLLUTION CONTROL AG	CERTIFICATION RENEWAL/RAUCHBAUER	602	45550	4500		003	\$23.00	
MINNESOTA REVENUE	WAGE LEVY ID L1102633728	101	20435				\$169.20	\$169.20
MOM'S CLUB OF WHITE BEAR AREA	PRESCHOOL EXPO FEE	225	43555	2170			\$30.00	\$30.00
MRPA	ATTN: WEINREIS - BASKETBALL TEAM REG	225	43510	3190		002	\$170.00	\$170.00
NEOPOST USA INC.	MAINT AGMT/DS75 - CUST #31242231-629780	601	45050	3850		001	\$982.50	\$1,965.00
		602	45550	3850		001	\$982.50	
NORTHERN ELECTRICAL CONTRACTOR	REPAIRS TO BUCHER IRRIGATION PUMP	101	43710	3190			\$258.00	\$258.00
PARTY AMERICA CORPORATE OFFICE	SKATE WITH SANTA/SPECIAL EVENT SUPPLIES	225	43580	2172		001	\$90.92	\$90.92
PUBLIC EMPLOYEES RETIREMENT AS	EMPL/EMPLOYER CONTRIBUTIONS: 11/30/12	101	21740				\$28,224.70	\$28,224.70
Q3 CONTRACTING	RESTO DUDLEY/SUZANNE AREA PROJECT 12-06	604	42600	5300			\$998.05	\$998.05
Q3 CONTRACTING	PMT 3 ST LIGHT REPLACE PROJECT 12-06	604	42600	5300			\$29,583.00	\$29,583.00
SCHWERM, TERRY	REIMBURSEMENT/ROTARY DUES	101	40200	4330		007	\$190.60	\$190.60
SCHWERM, TERRY	REIMBURSEMENT\ROTARY DUES	101	40200	4330		007	\$190.60	\$190.60
SIGNATURE AQUATICS, INC	LINT BASKET MAIN POOL	220	43800	2200		002	\$777.27	\$777.27
TARGET COMMERCIAL INVOICE	SCHOOL'S OUT CAMP SUPPLIES	225	43580	2170		002	\$35.25	\$35.25
TREASURY, DEPARTMENT OF	FEDERAL WITHHOLDING TAX: 11/30/12	101	21710				\$23,123.56	\$51,983.64
		101	21730				\$22,339.20	
		101	21735				\$6,520.88	
VAN HOUSE, DAWN	PASS REFUND	220	22040				\$20.00	\$20.00
YOUNG, LESLEY	REIMBURSEMENTS	225	43590	2174		002	\$194.04	\$286.12
		225	43590	3174		003	\$85.00	
		225	43580	2172		001	\$7.08	
ZAUHAR, CHRISTINA	PASS REFUND	220	22040				\$48.20	\$48.20
ZSCHOMLER, JO	CHANHASSEN - BYE BYE	220	22040				\$72.00	\$72.00

Total of all invoices: \$201,933.93

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
3M	YELLOW GREEN SIGN MATERIAL	101	42200	2180		003	\$1,466.27	\$1,466.27
A-1 HYDRAULICS SALES & SERVICE	PARTS FOR BOBCAT PLOW	701	46500	2220		002	\$43.50	\$43.50
ALLEN, DEANNE	MINUTES - PC 10/23, CC 11/5	101	40200	3190		001	\$200.00	\$350.00
		101	44100	3190			\$150.00	
AMERI PRIDE LINEN & APPAREL SE	UNIFORM RENTALS - MAINTENANCE CENTER	101	42200	3970			\$43.03	\$172.13
		601	45050	3970			\$43.03	
		602	45550	3970			\$43.03	
		603	45850	3970			\$21.52	
		701	46500	3970			\$21.52	
AMERI PRIDE LINEN & APPAREL SE	UNIFORM RENTALS - MAINTENANCE CENTER	101	42200	3970			\$42.61	
		601	45050	3970			\$42.61	
		602	45550	3970			\$42.61	
		603	45850	3970			\$21.30	
		701	46500	3970			\$21.30	\$170.43
AMSAN BRISSMAN KENNEDY	CLEANING SUPPLIES CC/LESS CRDT 276755428	220	43800	2110			\$1,769.89	\$1,769.89
AUTOMOTIVE REFINISH TECHNOLOGI	PAINT FOR BOBCAT PLOW	701	46500	2180		001	\$287.55	\$287.55
BEISSWENGERS HARDWARE	TREE WRAP	101	43710	2240			\$48.36	\$48.36
BEISSWENGERS HARDWARE	TREE WRAP	101	43710	2240			\$17.25	\$17.25
BEISSWENGERS HARDWARE	HARDWARE TO ANCHOR PLAYERS BENCH	101	43710	2240			\$22.97	
BEISSWENGERS HARDWARE	SNOW SHOVELS	101	43710	2400			\$261.40	\$261.40
BEISSWENGERS HARDWARE	HARDWARE TO ANCHOR BROOMBALL NET	101	43710	2240			\$23.84	\$23.84
BEISSWENGERS HARDWARE	HARDWARE TO ANCHOR BROOMBALL NET	101	43710	2240			\$7.77	\$7.77
BEISSWENGERS HARDWARE	PARTS FOR BOBCAT SNOW BLOWER	701	46500	2220		002	\$7.08	\$7.08
BRADLEY & DEIKE, PA	STONEHENG	101	22020				\$731.00	\$731.00
BRADLEY & DEIKE, PA	TSI	306	44100	4890			\$493.00	\$493.00
BRADLEY & DEIKE, PA	SINCLAIR	101	22020				\$85.00	\$85.00
BRADLEY & DEIKE, PA	MIDLAND PLAZA	101	22020				\$136.00	\$136.00
C & E HARDWARE	PLOW PAINT	701	46500	2220		002	\$19.28	\$19.28
C & E HARDWARE	SCREEN	601	45050	2280		005	\$1.39	\$1.39
C & E HARDWARE	SHOP SUPPLIES	701	46500	2180		001	\$15.27	\$15.27
CDW GOVERNMENT, INC	PC REPLACEMENTS	422	40550	5800			\$294.77	\$294.77
CDW GOVERNMENT, INC	AC ADAPTER	101	40550	2010		001	\$67.81	\$67.81
CDW GOVERNMENT, INC	USB DRIVE ENCLOSURE	101	40550	2010		001	\$42.15	\$42.15
CITY OF ST. PAUL	ELECTIONS PRINTING	101	40300	2180			\$1,783.80	\$1,783.80
COMMERCIAL ASPHALT CO	ASPHALT FOR SEWER REPAIRS	602	45550	2280		002	\$1,324.36	\$1,324.36
CONTINENTAL RESEARCH CORPORATI	MIGHTY FOAM AND MELT AWAY	602	45550	2280		001	\$491.87	\$576.87
		701	46500	2183		002	\$85.00	
CUMMINS NPOWER, LLC	BOOSTER STATION GENERATOR	601	45050	3190		003	\$864.21	\$864.21
CUMMINS NPOWER, LLC	WELL 5 GENERATOR	601	45050	3190		003	\$350.92	\$350.92
DAKOTA SUPPLY GROUP	PARTS FOR HYDRANT METER SHOP	601	45050	2510		002	\$579.07	\$579.07
ELECTRO WATCHMAN INC.	SECURITY MONITORING MAINTENANCE CENTER	701	46500	3196			\$80.00	
ENVIROTECH SERVICES INC.	CALCIUM CHLORIDE	101	42200	2181		002	\$2,932.65	\$2,932.65
ESS BROTHERS & SONS INC.	PIPE SEALER FOR STORM SEWER	603	45850	2180		003	\$251.16	\$251.16
FERGUSON WATERWORKS #2516	HYDRANT PARTS	601	45050	2280		003	\$145.07	\$145.07
FLEETPRIDE	PARTS FOR UNIT 207	701	46500	2220		001	\$51.66	\$51.66
G & H DISTRIBUTING AND SUPPLY	HYD HOSE FOR STOCK	701	46500	2180		001	\$98.98	\$98.98
G & H DISTRIBUTING AND SUPPLY	HYD FITTINGS FOR STOCK	701	46500	2180		001	\$194.35	\$194.35
GRAINGER, INC.	LIGHT BULBS FOR COMM CNTR ENTRANCE SIGN	101	43710	2240			\$204.90	\$204.90
H & L MESABI, INC.	PLOW BLADES/NUTS/BOLTS	701	46500	2180		001	\$126.32	\$126.32
H & L MESABI, INC.	PLOW BLADES	701	46500	2220		002	\$232.99	\$232.99
HACH COMPANY	FREE AMMONIA REAGENTS	601	45050	2280		005	\$111.20	\$111.20

## COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
HACH COMPANY	SAMPLE CELLS	601	45050	2280		005	\$29.03	\$29.03
HILLCREST ANIMAL HOSPITAL	BOARDING FEES - OCTOBER	101	41100	3199			\$207.00	
JRK SEED CO.	TURF FERTILIZER/LESS CREDIT 6253	101	43710	2260			\$12,972.49	\$12,972.49
LUBRICATION TECHNOLOGIES, INC	MOTOR OIL/LESS CREDIT	701	46500	2130		001	\$1,056.23	\$1,056.23
MCFOA	DUES 7/1/12 - 6/30/13 HOFFARD	101	40200	4330		006	\$35.00	\$35.00
MENARDS CASHWAY LUMBER **FRIDL	SHOP SUPPLIES	701	46500	2180		001	\$24.91	\$24.91
MENARDS CASHWAY LUMBER **FRIDL	EXT CORDS FOR HOLIDAY LIGHTS	101	43710	2240			\$101.48	\$101.48
MINNCOR INDUSTRIES	NEW OFFICE CHAIRS	101	43400	2010			\$1,346.63	\$1,346.63
NAPA AUTO PARTS	PARTS FOR EASEMENT JETTER	701	46500	2220		002	\$36.40	\$36.40
NAPA AUTO PARTS	PARTS FOR TORO 328D	701	46500	2220		002	\$12.84	\$12.84
OFFICE DEPOT	COLOR COPY PAPER	101	40200	2010		001	\$193.27	\$193.27
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40550	2010		003	\$4.29	\$194.46
		101	40200	2010		002	\$7.84	
		225	43590	2170			\$182.33	
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40200	2010		005	\$46.32	\$49.06
		602	45550	2282		001	\$2.74	
OFFICE DEPOT	YOUTH PROGRAM SUPPLIES/OFFICE SUPPLIES	225	43580	2170		001	\$43.62	
		101	40200	2010		002	\$28.15	\$71.77
OPTUMHEALTH FINANCIAL SERVICES	OCT ADMIN/RETIREEES	101	40210	3190		003	\$54.20	\$54.20
ORKIN EXTERMINATING CO., INC.	PEST CONTROL SERVICES	220	43800	3190			\$162.15	\$162.15
PARTS ASSOCIATES, INC.	SHOP SUPPLIES	701	46500	2180		001	\$391.00	
REINDERS, INC.	HOLIDAY LIGHT CORDS	101	43710	2240			\$225.31	\$225.31
SHORT ELLIOTT HENDRICKSON, INC	ANNUAL BRIDGE INSPECTION - CONSULTING	101	42200	3190			\$485.73	\$485.73
SIGNATURE LIGHTING INC	STREET LIGHT REPAIR-RED FOX RD	604	42600	3810			\$1,534.70	
SIGNATURE LIGHTING INC	STREET LIGHT REPAIR-4520 BRIDGE CT	604	42600	3810			\$554.47	\$554.47
SMITH, JEFF LLC	FALL 2012/TAEKWONDO-SESS B/INSTRCT FEE	225	43530	3190			\$1,707.55	\$1,707.55
ST. PAUL, CITY OF	RIVERPRINT: POTENTIAL LEAK POSTCARDS	101	42050	2010			\$139.87	\$139.87
ST. PAUL, CITY OF	RIVERPRINT: DAILY MAINTENANCE REPORTS	101	43710	2180			\$64.98	\$194.94
		601	45050	2010			\$64.98	
		602	45550	2010			\$64.98	
ST. PAUL, CITY OF	RIVERPRINT: BUSINESS CARDS (5 EMPLOYEES)	101	41500	2180			\$9.04	
		101	42050	2010			\$81.31	
		101	44100	2010			\$9.04	\$99.39
ST. PAUL, CITY OF	RIVERPRINT: BUSINESS CARDS (5 EMPLOYEES)	101	40200	2010		003	\$29.40	
		101	44100	2010			\$21.09	
		101	42050	2010			\$16.84	\$67.33
STANLEY ACCESS TECH LLC	CONTRACTUAL FEES FOR PLANNED MAINT.	220	43800	3190		004	\$1,215.52	\$1,215.52
STAR TRIBUNE	SUBSCRIPTION - 11/19/12 - 2/18/13	101	40200	4330		009	\$36.40	\$36.40
TERMINAL SUPPLY CO	SUPPLIES FOR PARKS BOB-CAT	701	46500	2220		002	\$87.49	\$87.49
TERMINAL SUPPLY CO	PARTS FOR THE BOBCAT BLOWER	701	46500	2180		001	\$17.75	\$17.75
TRANSPORTATION SUPPLIES INC	REGULATOR FOR AIR COMPRESSOR	701	46500	2180		001	\$41.78	\$41.78
TRI STATE BOBCAT, INC.	PARTS FOR PARKS BOB-CAT	701	46500	2220		002	\$6.84	\$6.84
VIKING ELECTRIC SUPPLY INC	ELECTRICAL COVERS ON LIGHT POLES AT C.C.	101	43710	2240			\$85.28	\$85.28
VOICE + DATA NETWORKS	PHONE CONSOLE SOFTWARE MAINTENANCE	101	40200	3210		004	\$397.02	\$397.02
VOICE + DATA NETWORKS	PHONE CONSOLE TRAINING	101	40200	3210		004	\$374.08	\$374.08
W.D.LARSON COMPANIES LTD, INC.	FILTERS FOR STOCK	701	46500	2180		001	\$77.47	\$77.47
WSB & ASSOCIATES, INC.	BUCHER PARK PROFESSIONAL SERVICES-OCT.	459	43710	5300			\$1,493.00	\$1,493.00
YOCUM OIL COMPANY INC.	GENERATOR TEST	220	43800	3190		004	\$625.50	\$625.50
YOCUM OIL COMPANY INC.	REPAIR SUPPLIES CC -- OIL	220	43800	2240		001	\$723.43	\$723.43
ZIEGLER, INCORPORATED	RESTOCKING FEE FOR PART RETURN	701	46500	2220		002	\$20.12	\$20.12





# Purchase Voucher

City of Shoreview  
4600 Victoria Street North  
Shoreview MN 55126

Voucher Number	31,426	Please return check to Glen
Vendor number	00311 1	2012
Vendor name	C W HOULE INC.	
Address	1300 COUNTY ROAD I WEST ST. PAUL MN 55126	

Date	Comment line on check	Invoice number	Amount
11-19-12	FLORAL, DEMAR, CO RD F 12-01 PYMNT NO 4	1	\$361,847.94

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

*This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?*

☐ Purchase was made through the state's cooperative purchasing venture.

☐ Purchase was made through another source. The state's cooperative purchasing venture was considered.

☒ Cooperative purchasing venture consideration requirement does not apply.

Return to:

Account Coding

Amount

570 47000 5900	\$361,847.94

Is sales tax included on invoice?

Not Taxable

If no, amount subject to sales use tax

\$

Reviewed by:

(signature required) Glen Hoffard

Approved by:

(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000.

If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

# Purchase Voucher

City of Shoreview

4600 Victoria Street North

Shoreview MN 55126

Voucher Number	31,430
Vendor number	01308 1 2012
Vendor name	MINNESOTA METRO NORTH TOURISM
Address	CITY OF BLAINE FINANCE DEPARTMENT 10801 TOWN SQUARE DRIVE BLAINE, MN 55449

Date	Comment line on check	Invoice number	Amount
10-31-12	OCT HOTEL/MOTEL TAX/3 SITES	10/31/12	\$20,018.56

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

0.00 T
4,136.68 +
8,772.77 +
8,162.72 +
21,072.17 T
21,072.17 x
0.05 =
1,053.61 *
21,072.17 +
1,053.61 -
20,018.56 T

Return to:	
------------	--

Account Coding	Amount
101 38420	-\$1,053.61
101 22079	\$21,072.17

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$
Reviewed by:	<i>Fred Espe</i>
(signature required) Fred Espe	
Approved by:	<i>Terry Schwerm</i>
(signature required) Terry Schwerm	

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000.

If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

# Purchase Voucher

City of Shoreview  
4600 Victoria Street North  
Shoreview MN 55126

Voucher Number	31,524
Vendor number	01171 1 2012
Vendor name	METROPOLITAN COUNCIL ENVIRONMENTAL
Address	SERVICES 390 NORTH ROBERT STREET ST. PAUL MN 55101

Date	Comment line on check	Invoice number	Amount
11-27-12	SAC CHARGES FOR OCTOBER 2012	10/2012	\$67,899.15 -

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

*This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?*


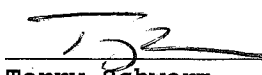
☐ Purchase was made through the state's cooperative purchasing venture.

☐ Purchase was made through another source. The state's cooperative purchasing venture was considered.

☒ Cooperative purchasing venture consideration requirement does not apply.

Return to: \_\_\_\_\_

Account Coding	Amount
602 20840	\$68,585.00
602 34060	-\$685.85

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$
Reviewed by:  (signature required) Charlie Grill	
Approved by:  (signature required) Terry Schwerm	

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000.  
If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

# Purchase Voucher

City of Shoreview  
4600 Victoria Street North  
Shoreview MN 55126

Voucher Number	31,543	RETURN CHECK TO TOM H
Vendor number	01376 1	2012
Vendor name	Q3 CONTRACTING	
Address	3066 SPRUCE STREET LITTLE CANADA, MN 55117-1061	

Date	Comment line on check	Invoice number	Amount
11-28-12	PMT 3 ST LIGHT REPLACE PROJECT 12-06	UMN00206112	\$29,583.00

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

☐ Purchase was made through the state's cooperative purchasing venture.

☐ Purchase was made through another source. The state's cooperative purchasing venture was considered.

☒ Cooperative purchasing venture consideration requirement does not apply.

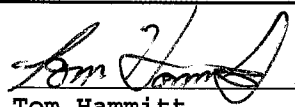
Return to:

Account Coding

Amount

604 42600 5300	\$29,583.00

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$

Reviewed by:  11/28/12  
(signature required) Tom Hammitt

Approved by:   
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000.  
If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

# Proposed Motion

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

To adopt Resolution No. 12-104, certifying the blight findings for Proposed TIF District No. 8, and approve a Demolition Agreement with Lakeview Terrace, LLC, allowing for the tear down of the Midland Plaza retail strip center for the Lakeview Terrace Redevelopment Project.

VOTE:      AYES: \_\_\_\_\_      NAYS: \_\_\_\_\_

Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

# Memorandum

**To:** Mayor and City Council Members

**From:** Tom Simonson  
Assistant City Manager and Community Development Director

**Date:** November 29, 2012

**Re:** Resolution Certifying Blight Findings for Proposed TIF District No. 8 and Approval of Demolition Agreement for Midland Plaza (Lakeview Terrace Redevelopment Project)

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## Introduction

The City Council is being asked to adopt a resolution certifying the blight findings necessary for the creation of proposed Tax Increment District No. 8 for the Lakeview Terrace Apartments Project and approval of a Demolition Agreement with the owner of Midland Plaza allowing for the tear down of the vacant strip center. This action is being proposed to accommodate the property owner's desire to demolish the building prior to the end of the year for tax purposes.

## Discussion

The Lakeview Terrace project proposes the redevelopment of the Midland Plaza strip center, and relocation of Owasso Street, in order for the owner/developer to construct a new upscale six-story luxury apartment building of 104 units in the Midland Terrace Apartments complex area.

The redevelopment project requires the proposed creation of a new tax increment financing district to serve as the primary funding source for the public improvements and other eligible development costs to benefit the project. The majority of the costs for the public infrastructure improvements will be reimbursed through the tax increment generated from the new apartment building and special assessments to the property owner, with additional financial support from a grant received from the Metropolitan Council through the Livable Communities program.

After some delays with financing negotiations and issues relating to the release of land by Freddie Mac included in the existing Midland Terrace mortgage, the project is now moving forward with the final approvals. The City Council will be holding a public hearing on December 17<sup>th</sup> in consideration of the TIF District No. 8 establishment and financing agreement. At the same meeting, the developer will also be seeking approval of the Final Stage-Planned Unit Development.

Since the Midland Plaza has been vacant for over a year, the property owner would like to demolish the structure prior to year-end in order to reduce the property tax for 2013. The strip center is a critical component to qualifying the apartment project as a 25-year redevelopment district, due to its blight and functional obsolescence. In order to provide the property owner sufficient time to secure environmental permits to undertake the demolition this month, the City's development attorney indicates that the City Council can adopt a resolution making the necessary blight findings and approve an agreement in advance of the final project approvals. Included with this report for your consideration is draft Resolution No. 12-104 as well as a proposed Demolition Agreement.



### **Recommendation**

City staff is recommending the City Council adopt Resolution No. 12-104, certifying the blight findings for Proposed TIF District No. 8, and approval of a Demolition Agreement with Lakeview Terrace, LLC, allowing for the tear down of the Midland Plaza retail strip center for the Lakeview Terrace Redevelopment Project.

If this action is approved, the property owner/developer would be required to obtain all necessary permits and responsible for all costs associated with the demolition work, with no risk or financial obligation to the City. However, the demolition work would be eligible for reimbursement through the redevelopment grant and tax increment financing if the apartment project is completed.

**CITY OF SHOREVIEW, MINNESOTA  
RAMSEY COUNTY, MINNESOTA**

**RESOLUTION NO. 12-104**

**A RESOLUTION FINDING THE EXISTENCE OF A STRUCTURALLY SUBSTANDARD  
BUILDING AND OTHER IMPROVEMENTS ON REAL PROPERTY THAT MAY BE  
INCLUDED IN A TAX INCREMENT DISTRICT, PURSUANT TO MINNESOTA  
STATUTES, SECTION, 469.174, SUBDIVISION 10(d)**

- WHEREAS,** the City of Shoreview, Minnesota (the "City") has caused to be inspected certain real property located within the City, which real property is referred to herein as the "Property" and is legally described on the attached Exhibit A; and
- WHEREAS,** the Property contains buildings and other improvements that the City believes qualify the Property for the creation of a redevelopment tax increment financing district within the meaning of Minnesota Statutes, section 469.174, subd. 10, of the Minnesota tax increment financing laws; and
- WHEREAS,** the City may undertake or assist in the redevelopment of the Property and, in this regard, has determined that it may create a new tax increment financing district to encompass the Property and to provide a funding source for the redevelopment of the Property; and
- WHEREAS,** the City desires to demolish or cause to be demolished the buildings and other improvements located on the Property prior to the time that a new tax increment district can be created; and
- WHEREAS,** Minnesota Statutes, section 469.174, subd. 10(d), provides that a parcel of property on which a structurally substandard building or other buildings and improvements have been demolished by a tax increment Authority or by a developer under a development agreement with the authority may still be treated as occupied by such building or improvements for purposes of creating a redevelopment or a renewal and renovation tax increment financing district if prior to the demolition the authority finds by resolution that the parcel was occupied by a structurally substandard building or other buildings and improvements and that the authority intends to include the parcel in a tax increment district; and
- WHEREAS,** the City by this resolution intends to preserve its ability to deem the Property as occupied by structurally substandard buildings and other buildings and improvements for purposes of including the Property in a future redevelopment tax increment financing district.



**NOW, THEREFORE,** be it hereby resolved by the City Council of the City as follows:

1. Based upon all of the information available to the City, including reports of the City's consultants, staff and City building officials, including the "Report of Inspection Procedures and Results for Determining Qualifications of a Tax Increment Financing District as a Redevelopment District" dated July 27, 2012 prepared by LHB, the City finds that the Property contains substandard buildings and other buildings and improvements that would qualify it as a redevelopment tax increment financing district for the following reasons:

- a. At least 15% of the area of each parcel comprising the Property is occupied by buildings, streets, utilities, or other improvements; and
  - b. Parcels consisting of 70 percent of the area of the Property are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50% of the buildings on the Property are structurally substandard.
2. The demolition of the buildings on the Property will be undertaken by the City or financed by the City or by a developer under a development agreement with the City.
3. After demolition of the buildings the City intends to include the Property in a new redevelopment tax increment district if such district is created.
4. City officials are hereby authorized to execute the Demolition Agreement with Lakeview Terrace, LLC, in the form presented to the City Council with this Resolution, subject to such changes as may be approved by the City Manager and the City's legal counsel.

Adopted by the City Council of the City, Minnesota this 3rd day of December, 2012.

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Mayor

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City Manager

**EXHIBIT A**

**Description of Property**

11/29/12

## DEMOLITION AGREEMENT

**THIS DEMOLITION AGREEMENT** (this "Agreement") is made and entered into effective as of the \_\_\_\_ day of \_\_\_\_\_, 2012, between the City of Shoreview, Minnesota, a statutory city under the laws of the State of Minnesota (the "Authority"), and Lakeview Terrace, LLC, a Minnesota limited liability company ("Redeveloper").

### RECITALS

A. An entity related to the Redeveloper is the owner of certain real property (the "Property") located in the City which property contains certain improvements and buildings that are in a substandard condition (the "Improvements").

B. The Redeveloper and City are negotiating the terms of an agreement under which the Redeveloper would redevelop the Property and under which the City would use tax increment from a tax increment district to be created by the City to offset some of the extraordinary costs of the redevelopment.

C. The Redeveloper desires to cause to be demolished and removed the Improvements located on the Property prior to creation of the tax increment district encompassing the Property.

D. Minnesota Statutes, section 469.174, subd. 10(d), provides that a parcel of property on which a structurally substandard building has been demolished by a tax increment authority or by a developer under a development agreement with the authority may still be treated as occupied by such building for purposes of creating a tax increment financing district if prior to the demolition the authority finds by resolution that the parcel was occupied by a structurally substandard building and that the authority intends to include the parcel in a tax increment district.

E. The City has approved a resolution qualifying under Minnesota Statutes, section 469.174, subd. 10(d) and the City and Redeveloper have determined to enter into this agreement under which the Redeveloper will demolish the Improvements.

### AGREEMENT

1. The Redeveloper agrees to undertake or cause to be undertaken the demolition and removal of the Improvements in accordance with the terms of this Agreement and all applicable state and local regulations and ordinances. The Redeveloper shall be responsible for the payment of all costs of the demolition and removal of the Improvements.

2. The City's execution of this Agreement is for the sole purpose of preserving the City's right to treat the Property as occupied by substandard improvements if and when the City determines to create a tax increment district encompassing the Property. The City is not

obligated to create such a tax increment district or to provide any financial assistance or approvals in connection with the Redeveloper's proposed redevelopment of the Property. The City will only be so obligated if and when it determines to participate in the Redeveloper's proposed redevelopment as evidenced by the City's execution of a formal development agreement detailing the manner and extent of the City's participation.

3. Redeveloper shall indemnify, defend and hold harmless the City against any and all claims, demands, actions, suits, judgments, losses, damages, expenses, penalties, fines, sanctions, court costs, litigation costs, and reasonable attorneys' fees (collectively referred to herein as "Claims") asserted against or incurred by the City, its successors, designees and assigns, for injuries to persons and/or entities (including without limitation, loss of life) and for damage, destruction or theft of property that may be sustained directly or indirectly due to the activities contemplated by this Agreement by Redeveloper, its successors, agents, employees, contractors, subcontractors invitees and representatives of any kind, and all those claiming by or through them, except to the extent caused by the negligence or willful misconduct of the City.

4. Redeveloper shall secure any permits or licenses required in connection with the demolition and removal of the Improvements and shall comply with all laws applicable to such activities, including but not limited to any laws, standards, regulations, and permit requirements relating to environmental pollution or contamination or to occupational health and safety.

5. This Agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota, without reference to the choice of law rules thereof.

6. This Agreement is the full, complete, and entire agreement of the parties with respect to the subjects hereof, and any and all prior writings, representations, and negotiations with respect to those subjects are superseded by this Agreement.

7. The headings used in this Agreement are provided solely as a convenient means of reference. They are not intended to, and do not, limit or expand the purpose or effect of the paragraphs to which they are appended. The headings shall not be used to construe or interpret this Agreement.

8. As used in this Agreement, the singular form of a word includes the plural form of that word, and vice versa, and this Agreement shall be deemed to include such changes to the accompanying verbiage as may be necessary to conform to the change from a singular to plural, or vice versa.

9. This Agreement may be executed in counterparts.

**CITY:**

**CITY OF SHOREVIEW, MINNESOTA**

By: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**REDEVELOPER:**

**LAKEVIEW TERRACE, LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

## PROPOSED MOTION

MOVED BY \_\_\_\_\_

SECONDED BY \_\_\_\_\_

to adopt Resolution 12-105, approving a Change Order No. 1 in the amount of \$3,376.21 and Contractor Payment No 4, Final, in the amount of \$4,416.91 for the 2012 Street Light Replacement Project No. 12-06 to Q3 Contracting.

ROLL CALL:      AYES \_\_\_\_\_ NAYS \_\_\_\_\_

HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

REGULAR COUNCIL MEETING  
DECEMBER 3, 2012

tlh

#12-06

t:/projects/2012/12-06streetlightreplacements/council/final payment2012

TO: MAYOR, CITY COUNCIL, CITY MANAGER

FROM: THOMAS L HAMMITT  
SENIOR ENGINEERING TECHNICIAN

DATE: NOVEMBER 28, 2012

SUBJ: APPROVE CHANGE ODRDER NO. 1 & PAYMENT NO. 4, FINAL  
2012 STREET LIGHT REPLACEMENTS, PROJECT NO. 12-06

### INTRODUCTION

Change Order No. 1 and Contractor Payment No 4, Final, has been prepared by staff and is presented to Council for approval.

### BACKGROUND

On July 2, 2012, the City of Shoreview authorized a contract with Q3 Contracting for the replacement of street lights in three areas in the City. The areas were Lake Cove Court, Lake Beach/Lake Oaks/Oxford and Dudley/Suzanne. The approved contract amount was \$88,962.00 which included estimated restoration costs.

### DISCUSSION

The contractor has completed all portions of the project. An additional light was installed on Oxford Street in the Lake Beach/Lake Oaks area at the request of the residents. The amount of Change Order No. 1 is \$3,376.21. The project came in on budget and all testing and inspections have been completed and have shown the work to be acceptable.

### RECOMMENDATION

It is recommended that Council adopt Resolution 12-105, approving Change Order No. 1 in the amount of \$3,376.21 and Contractor Payment No. 4 (Final) in the amount of \$4,416.91 for the project.

tlh

#12-06

t:/projects/2012/12-06streetlightreplacements/council/final payment2012



### CONTRACT CHANGE ORDER

Contract Number \_\_\_\_\_ Project Name: **Shoreview Streetlighting Project – Lake Beach/Lake Oaks Project – Area #4**

Change Order Number: **Q3-0003** Date: **10/05/2012**

To: **City of Shoreview, 4600 Victoria Street North, Shoreview, MN 55126 - Attention Tom Hammitt**

Quality Contracting agrees to make the following changes as listed below:

Item No.	Description of Changes – Quantities, Units, Completion Schedule, etc.	Decrease in Contract Price	Increase in Contract Price
<b>#1</b>	<b>Install 285' of 1 ½" PE Conduit by HDD, Pull Wire into Conduit and Install One 25' Direct Set Streetlight</b>		<b>\$3,376.21</b>

Description of Changes: **Install 285' of 1 ½" PE conduit, pull 3 - #10 wires into conduit, install one 25' direct set pole and fixture.**

The sum of **\$3,371.21** is hereby added to the total contract price.

The time provided for completion in the Contract is unchanged. This document shall become an amendment to the Contract and all provisions of the Contract will apply hereto.

Accepted – The above prices and quantities of the Change Order are satisfactory and are hereby accepted. All work is to be performed under the same terms and conditions as specified in the original contract unless otherwise specified.

Contractor: **Q3 Contracting, Inc.**

Owner: **City of Shoreview**

By: **William Marka**

By: (Name Printed) **TOM WESOLOWSKI**

Signed: *W.E.M.L.*

Signed: *Tom Wesolowski*

Dated: **10/01/12**

Dated: *10/8/12*



## APPLICATION FOR PAYMENT

NO. 4-FINAL

PROJECT: 2012 STREET LIGHT REPLACEMENTS

OWNER: CITY OF SHOREVIEW

PROJECT NO: 12-06

CONTRACTOR: Q3 CONTRACTING

APPLICATION DATE: 11/26/2012 FOR PERIOD ENDING: 11/26/2012

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## STATEMENT OF WORK

ORIGINAL CONTRACT AMOUNT	\$ <u>84,962.00</u>
NET CHANGE BY CHANGE ORDER	\$ <u>3,376.21</u>
CONTRACT AMOUNT TO DATE	\$ <u>88,338.21</u>
TOTAL AMOUNT OF WORK COMPLETED	\$ <u>88,338.21</u>
LESS 0 % RETAINAGE	\$ <u>-</u>
AMOUNT DUE TO DATE	\$ <u>88,338.21</u>
LESS PREVIOUS PAYMENTS	\$ <u>83,921.30</u>
PAYMENT DUE THIS APPLICATION	\$ <u>4,416.91</u>

APPLICATION FOR PAYMENT  
Page Two

I certify that all items and amonunts shown are correct for the work completed to date.


CONTRACTOR: Q3 CONTRACTING

BY: (Name and Title)

DATE: \_\_\_\_\_

APPROVED FOR PAYMENT

OWNER: CITY OF SHOREVIEW

BY:   
Tom Wesolowski - City Engineer

DATE: 11/29/12

2012 STREET LIGHT REPLACEMENTS  
PROJECT 12-06

Application of Payment No. 4

Area No. 2 - Lake Cove Ct	\$ 18,031.00
Area No. 3 - Dudley/Crestview/Suzanne	\$ 31,140.00
Area No. 4 - Lake Beach/Oxford/Lake Oaks	<u>\$ 35,791.00</u>
Sub Total	\$ 84,962.00
Area No. 4 - Change Order No. 1	<u>\$ 3,376.21</u>
Installation Project	\$ 88,338.21
Restoration Area No. 2 - Lake Cove Ct	\$ 1,073.26
Restoration Area No. 3 - Dudley/Crestview/Suzanne	\$ 998.05
Restoration Area No. 4 - Lake Beach/Oxford/Lake Oaks	<u>\$ 1,431.05</u>
Restoration Total	\$ 3,502.36
Installation and Restoration Total	<u><u>\$ 91,840.57</u></u>
Contract Award (with estimated restoration)	\$ 88,962.00
CO NO. 1	\$ 3,376.21
Total	<u><u>\$ 92,338.21</u></u>
Difference	\$ 497.64

**(PROPOSED)**

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA**

**HELD DECEMBER 3, 2012**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on December 3, 2012, at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

**RESOLUTION NO. 12-105**

**2012 STREET LIGHT REPLACEMENT PROJECT NO. 12-06  
CONTRACTOR PAYMENT NO. 4 (FINAL)**

WHEREAS, on July 2, 2012, a contract was awarded to Q3 Contracting, in the amount of \$88,962.00, including estimated restoration, for Lake Cove Court, Lake Beach/Lake Oaks/Oxford and Dudley/Suzanne area, City Project No. 12-06, and

WHEREAS, An additional street was installed at the request of surrounding residents which resulted in a Change Order in the amount of \$3,376.21, and

WHEREAS, the contractor, Q3 Contracting, has completed all work on the project and is now requesting final payment, in the amount of \$4,416.91, and

WHEREAS, All testing and inspections have been completed and have shown the work to be acceptable, and

WHEREAS, the City Engineer has recommended approval of the Contractor Payment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Shoreview, Minnesota, as follows:

That Change Order No. 1 in the amount of \$3,376.21 is hereby approved.

That Contractor Payment No. 4 (Final), in the amount of \$4,416.91, is hereby approved for a total project contract amount of \$88,338.21.

The motion for the adoption of the foregoing resolution was duly seconded by  
Member                      and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted this 3<sup>rd</sup> day of  
December, 2012.

STATE OF MINNESOTA)

COUNTY OF RAMSEY)

CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified and acting Manager of the City of Shoreview  
of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and  
foregoing extract of minutes of a meeting of said City Council held on the 3<sup>rd</sup> day of December  
2012, with the original thereof on file in my office and the same is a full, true and complete  
transcript therefrom insofar as the same relates to the Contractor Payment for the 2012 Street  
Light Replacement Project No.12-06.

WITNESS MY HAND officially as such Manager and the corporate seal of the City of  
Shoreview, Minnesota, this 4<sup>th</sup> day of December, 2012.

---

Terry C. Schwerm  
City Manager

SEAL

PROPOSED MOTION

MOVED BY COUNCILMEMBER \_\_\_\_\_

SECONDED BY COUNCILMEMBER \_\_\_\_\_

to approve Resolution No. 12-106 reducing the following escrows:

Erosion Control and Development Cash Deposits for the following properties  
in the amounts listed:

4867 Nottingham Pl	T & J Concrete/TJB Homes	\$ 2,500.00
3455 Owasso St	Blair Juliar	\$ 500.00
4696 Hodgson Rd	Stonebridge Construction	\$ 500.00

**ROLL CALL:**    AYES \_\_\_\_\_ NAYS \_\_\_\_\_

HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

REGULAR COUNCIL MEETING  
DECEMBER 3, 2012

TO: MAYOR, CITY COUNCIL, CITY MANAGER

FROM: THOMAS L. HAMMITT  
SENIOR ENGINEERING TECHNICIAN

DATE: NOVEMBER 28, 2012

SUBJECT: DEVELOPER ESCROW REDUCTIONS

### INTRODUCTION

The following escrow reductions have been prepared and are presented to the City Council for approval.

### BACKGROUND

The property owners/builders listed below have completed all or portions of the erosion control and turf establishment, landscaping or other construction in the right of way as required in the development contracts or building permits.

4867 Nottingham Pl	Street Repair completed
3455 Owasso St	Erosion control completed
4696 Hodgson Rd	Erosion control completed

### RECOMMENDATION

It is recommended that the City Council approve releasing all or portions of the escrows for the following properties in the amounts listed below:

4867 Nottingham Pl	T & J Concrete/TJB Homes	\$ 2,500.00
3455 Owasso St	Blair Juliar	\$ 500.00
4696 Hodgson Rd	Stonebridge Construction	\$ 500.00

**\*PROPOSED\***

**EXTRACT OF MINUTES OF MEETING OF THE  
CITY COUNCIL OF SHOREVIEW, MINNESOTA**

**HELD DECEMBER 3, 2012**

\* \* \* \* \*

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on December 3, 2012 at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

**RESOLUTION NO. 12-106**

**RESOLUTION ORDERING ESCROW REDUCTIONS  
AT VARIOUS LOCATIONS IN THE CITY**

WHEREAS, various builders and developers have submitted cash escrows for erosion control, grading certificates, landscaping and other improvements, and

WHEREAS, City staff have reviewed the sites and developments and is recommending the escrows be returned.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Shoreview, Minnesota, as follows:

The Shoreview Finance Department is authorized to reduce the cash deposit in the amounts listed below:

4867 Nottingham Pl	T & J Concrete/TJB Homes	\$ 2,500.00
3455 Owasso St	Blair Juliar	\$ 500.00
4696 Hodgson Rd	Stonebridge Construction	\$ 500.00

The motion for the adoption of the foregoing resolution was duly seconded by Member and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted this 3<sup>rd</sup> day of December, 2012.



STATE OF MINNESOTA )  
 )  
COUNTY OF RAMSEY )  
 )  
CITY OF SHOREVIEW )

I, the undersigned, being the duly qualified and acting Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council held on the 3<sup>rd</sup> day of December, 2012 with the original thereof on file in my office and the same is a full, true and complete transcript therefrom insofar as the same relates reducing various escrows.

WITNESS MY HAND officially as such Manager and the corporate seal of the City of Shoreview, Minnesota, this 4<sup>th</sup> day of December, 2012.

---

Terry C. Schwerm  
City Manager

SEAL

**PROPOSED MOTION**

**MOVED BY COUNCILMEMBER** \_\_\_\_\_

**SECONDED BY COUNCILMEMBER** \_\_\_\_\_

to close the public hearing.

ROLL CALL:            AYES \_\_\_\_\_ NAYS \_\_\_\_\_

HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

**PROPOSED MOTION**

**MOVED BY COUNCILMEMBER** \_\_\_\_\_

**SECONDED BY COUNCILMEMBER** \_\_\_\_\_

to approve the application for an off-sale liquor license for Trader Joe's, located at 1041 Red Fox Road, Shoreview, Minnesota subject to submittal of the following items:

- Floor Plan
- Liquor Liability Insurance Certificate
- Worker's Compensation Insurance Certificate
- Executed Copy of Lease

ROLL CALL:            AYES \_\_\_\_\_ NAYS \_\_\_\_\_

HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

**TO: MAYOR AND COUNCILMEMBERS**

**FROM: TERRI HOFFARD**  
**DEPUTY CLERK**

**DATE: NOVEMBER 27, 2012**

**SUBJECT: APPLICATION FOR AN OFF-SALE LIQUOR LICENSE—**  
**TRADER JOE’S, 1041 RED FOX ROAD**

### **INTRODUCTION**

An application has been received for an off-sale liquor license for Trader Joe’s to be located at 1041 Red Fox Road. The City Council must hold a public hearing prior to issuance of any new liquor license.

### **DISCUSSION**

Trader Joe’s has submitted the necessary application for a liquor license and has been notified of our compliance check and administrative penalty regulations. They have also provided articles of incorporation and a proposal for a potential lease. A floor plan of the establishment, proof of liquor liability and workers’ compensation insurance will be submitted before the license will be issued.

City Code limits the number of off-sale liquor licenses that can be issued. No more than one license per 5,000 people can be issued at any one time. The City currently has four off-sale liquor licenses, therefore, there is only one off-sale license available.

Public hearing notices have been published in the City's legal newspaper and sent to all property owners within 350 feet of the boundaries of the property. No comments have been received.

Background checks will be done on the store managers once they are hired and before the license is issued. The City expects the developer of the phase two Red Fox Road retail project to submit the building plans for Trader Joe’s for Planning Commission review in December. Trader Joe’s anticipates opening in late summer next year.

### **RECOMMENDATION**

Staff recommends approval of an off-sale liquor license for Trader Joe’s located at 1041 Red Fox Road.

# CITY OF SHOREVIEW LIQUOR LICENSE APPLICATION

This license application will not be processed until the following applicable information is provided, along with the necessary attachments and fees:

1. Type(s) of Liquor License(s) for which application is submitted:

<input type="checkbox"/>	Intoxicating Liquor On Sale	\$5,000
<input type="checkbox"/>	Intoxicating Liquor On Sale w/Training	\$4,000
<input type="checkbox"/>	Intoxicating Liquor On Sale Wine	\$1,000
<input type="checkbox"/>	Intoxicating On Sale Vet. Organization	\$ 300
<input type="checkbox"/>	Transfer	\$ 200
<input checked="" type="checkbox"/>	Intoxicating Liquor Off Sale	\$ 200
<input type="checkbox"/>	Intoxicating Liquor Sunday Sale	\$ 200
<input type="checkbox"/>	3.2 Percent Liquor On Sale	\$ 150
<input type="checkbox"/>	3.2 Percent Liquor Off Sale	\$ 50
<input type="checkbox"/>	Intoxicating or 3.2 Percent Liquor Special Event	\$ 10

2. Person making application:

Name Trader Joe's East, Inc.  
 Address 711 Atlantic Avenue, 3rd Floor, Boston, MA 02111  
 Telephone 857-400-3446 Date of Birth \_\_\_\_\_

3. Partnership application (information required in addition to Number 2 where license is to be issued in the name of a Partnership).

Name of partnership \_\_\_\_\_  
 Address \_\_\_\_\_  
 Telephone number \_\_\_\_\_  
 Date of partnership formation \_\_\_\_\_  
 MN Tax ID \_\_\_\_\_ Federal Tax ID \_\_\_\_\_  
 Name, address, telephone number, and date of birth of all partners:

Name	Address	Telephone	Date of Birth

4. Corporation application (information required in addition to Number 2 where license is to be issued in the name of a Corporation).

Name of corporation Trader Joe's East, Inc.  
Address 711 Atlantic Avenue, 3rd Floor, Boston, MA 02111  
Telephone number 857-400-3446  
Date of incorporation 12/5/1995  
MN Tax ID 7616850 Federal Tax ID 04-329-4200  
Is Corporation authorized to do business in Minnesota? Yes  
Name, address, telephone number, and date of birth of all shareholders and officers:

Name	Address	Telephone	Date of Birth
*See Attached			

5. Application for **3.2 PERCENT LIQUOR SPECIAL EVENT LICENSE**. (information is required in addition to Number 2 where application is for 3.2 Percent Liquor Special Event).

Name of organization \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone number \_\_\_\_\_  
Date \_\_\_\_\_  
Place of special event \_\_\_\_\_  
General description of the special event and purpose: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are you requesting the City waive the investigation fee? \_\_\_\_\_

6. **BUSINESS NAME** to be used in connection with the liquor license? \_\_\_\_\_  
Trader Joe's

7. Property on which **Business** will be conducted:

Post office address 1041 Red Fox Road, Shoreview, MN 55126  
Legal description To be provided  
\_\_\_\_\_

Name, address, and telephone number of legal entity which owns the premises on which the business will be conducted:

NAME	ADDRESS	TELEPHONE
Stonehenge-USA	6007 Culligan Way Minnetonka, MN 55345	(952) 288-2200

8. List the full name, addresses and telephone numbers of the manager(s), assistant manager(s), and any other individual with management responsibilities for the premises to be licensed:

NAME	ADDRESS	TELEPHONE
To be determined		

9. Describe, generally, the type of business to be conducted, the services to be offered, and the items to be sold on the licensed premises:

The business will be an off-sale liquor store selling primarily beer and wine. It will be adjacent to a  
Trader Joe's retail specialty store.

10. State the total cost of assets acquired to start this business including the business premises, if purchased, fixtures, furniture, equipment, merchandise for resale, cash for working capital, prepaid insurance and any other assets: (If acquired from predecessor, attach purchase agreement):

To be determined

11. Of the above cost of assets acquired, state the amount that is provided by the person(s) investing in this business:

All capital will be invested by applicant's sole shareholder, Trader Joe's Company.

12. The following items must be attached and submitted with this application, along with all required fees:

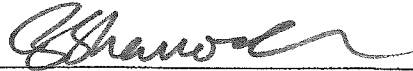
- ☒ Completed and verified license application form as prescribed by the Commissioner of Public Safety (for all licenses except 3.2 Percent Liquor Special Event-SV Code 801.040(B).
- ☐ Scale drawing of floor plan of premises to be licensed showing its relationship to boundaries of property on which the premises is located (for all initial license applications-SV Code 801.040(D).

- ☐ Certificate of Insurance (for all Intoxicating Liquor On Sale, Intoxicating Liquor On Sale Wine, and Intoxicating Liquor Off Sale-SV Code 801.040(F).
- ☒ Filed copy of Articles of Incorporation (for Corporate applications only).
- ☐ Executed copy of Partnership Agreement (for Partnership applicants only).
- ☒ Copy of lease (where applicant does not own property or premises on which business will be conducted). Letter of Intent provided
- ☒ \$200.00 investigation fee (for all new applications or for liquor license transfers where authorized-SV Code 801.040(A).

Dated this 16<sup>TH</sup> day of OCTOBER, 2012

I, hereby, under oath, state that the information contained in this Application is true and correct to the best of my knowledge; that I have received a copy of the Shoreview Liquor Ordinance; and that I will notify the City of Shoreview as soon as any of the facts in this Application change. I further acknowledge that the falsification of any information contained in this Application will be cause for denial of the License Application or for revocation of a license which has been issued.

Trader Joe's East, Inc.



Individual Making Application

By: Brandt Sharrock, Vice President



Minnesota Department of Public Safety  
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION  
444 Cedar St., Suite 222, St. Paul, MN 55101-5133  
(651) 201-7507 FAX (651) 297-5259 TTY (651) 282-6555  
WWW.DPS.STATE.MN.US



APPLICATION FOR OFF SALE INTOXICATING LIQUOR LICENSE

No license will be approved or released until the \$20 Retailer ID Card fee is received.

Workers compensation insurance company. Name \_\_\_\_\_ Policy # \_\_\_\_\_  
Licensee's MN Sales and Use Tax ID # 7616850 To apply for a MN sales and use tax ID #, call (651) 296-6181  
Licensee's Federal Tax ID # 04-329-4200

If a corporation, an officer shall execute this application If a partnership, a partner shall execute this application.

Licensee Name (Individual, Corporation, Partnership, LLC) Trader Joe's East, Inc.	Social Security # _____	Trade Name or DBA Trader Joe's
License Location (Street Address & Block No.) 1041 Red Fox Road	License Period From 2013 To 2014	Applicant's Home Phone # _____
City Shoreview	County Ramsey	State MN
Name of Store Manager TBD	Business Phone Number TBD	Zip Code 55126
DOB (Individual Applicant) _____		

If a corporation or LLC state name, date of birth, Social Security # address, title, and shares held by each officer. If a partnership, state names, address and date of birth of each partner.

Partner Officer (First, middle, last)	DOB	SS#	Title	Shares	Address, City, State, Zip Code
See attached.					
Partner Officer (First, middle, last)	DOB	SS#	Title	Shares	Address, City, State, Zip Code
Partner Officer (First, middle, last)	DOB	SS#	Title	Shares	Address, City, State, Zip Code
Partner Officer (First, middle, last)	DOB	SS#	Title	Shares	Address, City, State, Zip Code

1. If a corporation, date of incorporation 12/5/1995, state incorporated in Massachusetts, amount paid in capital \$1.00. If a subsidiary of any other corporation, so state Yes and give purpose of corporation general. If incorporated under the laws of another state, is corporation authorized to do business in the state of Minnesota? ☒ Yes ☐ No \*Applicant is a wholly-owned subsidiary of Trader Joe's Company
2. Describe premises to which license applies; such as (first floor, second floor, basement, etc.) or if entire building, so state. Applicant's beer and wine store will occupy approximately 1500 sq. ft. of the ground floor of a to be built 14000 sq ft single story building.
3. Is establishment located near any state university, state hospital, training school, reformatory or prison? ☐ Yes ☒ No If yes state approximate distance. \_\_\_\_\_
4. Name and address of building owner: Stonehenge-USA, 6007 Culligan Way, Minnetonka, MN 55345  
Has owner of building any connection, directly or indirectly, with applicant? ☐ Yes ☒ No
5. Is applicant or any of the associates in this application, a member of the governing body of the municipality in which this license is to be issued? ☐ Yes ☒ No If yes, in what capacity? \_\_\_\_\_
6. State whether any person other than applicants has any right, title or interest in the furniture, fixtures or equipment for which license is applied and if so, give name and details. No
7. Have applicants any interest whatsoever, directly or indirectly, in any other liquor establishment in the state of Minnesota? ☒ Yes ☐ No If yes, give name and address of establishment. Applicant is the owner of Trader Joe's establishments at 4500 Excelsior Blvd, St. Louis Park, MN; 12105 Elm Creek Blvd, Maple Grove, MN; 8960 Hudson Road, Woodbury, MN; 484 Lexington Parkway S, St. Paul, MN 55105; 11240 Wayzata Blvd, Minnetonka, MN; and 4270 West 78th Street, Bloomington, MN



8. Are the premises now occupied or to be occupied by the applicant entirely separate and exclusive from any other business establishment? ☒ Yes ☐ No Trader Joe's will occupy the entire 14,000 sq. ft. of a to be built single story building. It will consist of an approximately 1500 sq. ft. liquor store and 13,500 sq. ft. retail specialty store which shall share a common vestibule
9. State whether applicant has or will be granted, an On sale Liquor License in conjunction with this Off Sale Liquor License and for but have the same premises. ☐ Yes ☒ No ☐ Will be granted separate entrances and be separate in all other respects
10. State whether applicant has or will be granted a Sunday On Sale Liquor License in conjunction with the regular On Sale Liquor License. ☐ Yes ☒ No ☐ Will be granted
11. If this application is for a County Board Off Sale License, state the distance in miles to the nearest municipality. N/A
12. State Number of Employees 60-75
13. If this license is being issued by a County Board, has a public hearing been held as per MN Statute 340A.405 sub2(d)? N/A
14. If this license is being issued by a County Board, is it located in an organized township? **If so, attach township approval.**

1. State whether applicant or any of the associates in this application, have ever had an application for a liquor license rejected by any municipality or state authority; if so, give dates and details. No
2. Has the applicant or any of the associates in this application, during the five years immediately preceding this application ever had a license under the Minnesota Liquor Control Act revoked for any violation of such laws or local ordinances; if so, give dates and details. No
3. Has applicant, partners, officers, or employees ever had any liquor law violations or felony convictions in Minnesota or elsewhere, including State Liquor Control penalties? ☒ Yes ☐ No If yes, give dates, charges and final outcome.  
See Attached
4. During the past license year, has a summons been issued under the Liquor Civil Liability Law (Dram Shop) M.S. 340A.802.  
☐ Yes ☒ No If yes, attach a copy of the summons.

This licensee must have one of the following:

(ATTACH CERTIFICATE OF INSURANCE TO THIS FORM.)

Check one

- ☒ A. Liquor Liability Insurance (Dram Shop) - \$50,000 per person, \$100,000 more than one person; \$10,000 property destruction; \$50,000 and \$100,000 for loss of means of support.
- or
- ☐ B. A surety bond from a surety company with minimum coverage as specified in A.
- or
- ☐ C. A certificate from the State Treasurer that the licensee has deposited with the state, trust funds having market value of \$100,000 or \$100,000 in cash or securities.

**I certify that I have read the above questions and that the answers are true and correct of my own knowledge.**

Print name of applicant & title

Signature of Applicant

Date

Brandt Sharrock, VP/Director/Clerk



10/16/12

**REPORT BY POLICE/SHERIFF'S DEPARTMENT**

This is to certify that the applicant and the associates named herein have not been convicted within the past five years for any violation of laws of the State of Minnesota or municipal ordinances relating to intoxicating liquor except as follows:

Police/Sheriff's Department

Title

Signature

County Attorney's Signature

PS 9136-(2009)

**IMPORTANT NOTICE**

All retail liquor licensees must register with the Alcohol, Tobacco Tax and Trade Bureau.  
For information call (513) 684-2979 or 1-800-937-8864

## Budget Hearing Agenda

Published date and time:  
December 3, 2012 at 7:00 p.m.

1. Open public hearing at \_\_\_\_\_ (time)
2. Staff presentation
3. Public testimony and questions (citizen comments)
4. Council comments
5. Announce - Final budget adoption will occur at the regular city council meeting on December 17, 2012 at 7:00 p.m.
6. Motion to close the public hearing by Council member \_\_\_\_\_,

Seconded by Council member \_\_\_\_\_ at \_\_\_\_\_ (time).

Roll Call	Ayes _____	Nays _____
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting  
December 3, 2012

TO: Mayor and City Council

FROM: Jeanne A. Haapala, Finance Director

DATE: November 26, 2012

RE: Budget Hearing

### **Budget Hearing**

The City's hearing on the revised 2013 budget and the 2013 tax levy is scheduled for 7:00 p.m. on December 3. The **2013 Budget Summary** booklet will serve as the primary handout for the hearing. This informational document has been available at city hall and on the City's website since Wednesday, November 14.

Additional materials that were prepared by the City or Ramsey County will also be available at the budget hearing. These handouts are listed below, and a copy of each is attached to this report.

#### Booklets

1. **2013 Budget Summary**
2. **Community Benchmarks** (dated September 2012)
3. **Utility Operations and 2013 Utility Rates**

#### Other Documents

4. Power Point presentation for budget hearing
5. 2012 Shoreview Property Tax Dollar
6. Budget Hearing notice (copy of notice published in newspaper)
7. Ramsey-Washington Metro Watershed District explanation
8. State Property Tax Refund information
9. Process to Appeal Estimated Market Value (from Ramsey County)
10. How can my property value go down and my taxes go up? (from Ramsey County)

Final adoption of budget items is scheduled for the December 17 regular Council meeting.



*2013  
Budget Summary*

Budget Hearing  
7:00 p.m. December 3, 2012  
City Hall Council Chambers

---

4600 Victoria Street N  
Shoreview, MN 55126  
(651) 490-4600  
[www.shoreviewmn.gov](http://www.shoreviewmn.gov)

November 2012

Dear Citizens:

In preparing our 2013 Operating Budget and Capital Improvement Program the City Council is committed to maintaining the services, programs and facilities that make Shoreview one of the premier suburban communities in the Twin Cities Metropolitan area. Accomplishing this goal is a continuing challenge in these difficult economic times, and we believe is critical because City services have a direct impact on our citizens.

Despite the obvious challenges in the last few years, Shoreview has managed to:

- Hold the two-year increase in the tax levy to 2.9% (an annual increase of 1.4% for the biennial budget)
- Maintain the City's AAA bond rating, the highest rating awarded
- Preserve quality services and programs for our residents

As we look to the future, the City must ensure that our limited financial resources continue to provide services such as police and fire protection; maintenance and snowplowing of streets; water and sewer services; and recreational programs and facilities (including parks and trails) in an effective manner. We are also committed to maintaining and updating our infrastructure such as streets, trails and our utility systems to ensure their reliability for our residents.

We hope you find the information included in this 2013 Budget Summary helpful in explaining how the City puts your tax dollars to work in our community. If you have questions about the City's budget, please contact us at 651-490-4600.

Sandy Martin  
Mayor

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## Budget Objectives

The two-year Operating Budget and five-year Capital Improvement Program are developed based on long-term projections, resident feedback during the year, periodic community surveys, and City Council goals. Primary budget objectives for 2013 include:

- Balance the General Fund budget
- Maintain existing services and programs through efficient use of tax dollars
- Recover utility costs through user fees
- Fund infrastructure replacement
- Continue five-year financial planning for operating funds
- Meet debt obligations
- Maintain the City’s AAA bond rating
- Amend the second year of the City’s two-year budget
- Protect and enhance parks, lakes and open space areas
- Position the City to effectively address future challenges and opportunities (revitalize neighborhoods, encourage reinvestment, assist redevelopment opportunities, and utilize technology to improve services and communications)

## **Executive Summary**

The following listing provides a summary of key information discussed in this document:

- No major service level changes for 2013 despite the continued elimination of the Parks and Recreation Director position
- Proposed 3.4% increase in the combined City and HRA levy, which is \$77,470 lower than planned in the biennial budget
- Total taxable property value drops 6.6% due to a combination of value reductions and continuation of the Homestead Market Value Exclusion (HMVE) program
- City tax rate increases 11% due to the combined impact of the levy increase and declining taxable values
- City receives approximately 22% of total property taxes in 2013, and other taxing jurisdictions collect the remaining 78%
- City share of the tax bill ranks 5th lowest among comparison cities in 2012 (24% below the average)
- About 29 cents of each City property tax dollar goes to support public safety, followed by replacement costs at 22 cents, parks and recreation at 20 cents, general government at 9 cents, public works and debt service at 8 cents each, community development at 3 cents, and all other costs at 1 cent
- About 77% of home values decline for 2013 taxes, and 12% of home values remain the same
- The change in individual property tax bills varies depending on the change in property value

## **Budget Process**

The budget process starts in May with the distribution of budget materials to departments, followed by a series of staff budget discussions. Council budget workshops are held from early August through November, followed by a budget hearing the first regular Council meeting in December and budget adoption at the second regular Council meeting in December. The budget is published, posted to the City's website, and distributed to the County Library in January.

## Proposed Tax Levy

The table below provides a two-year comparison of Shoreview's tax levy, taxable values, tax rate and the metro-wide fiscal disparities contribution. Key changes for 2013 include:

- Combined City and HRA levy increases 3.4%
- Taxable value decreases 6.6% for 2013 (to \$23.7 million) due to a combination of declining residential values and the continued impact of the Homestead Market Value Exclusion (HMVE) program
- City tax rate increases 11.1% for 2013 due to the combined impact of the levy increase and declining property values
- Fiscal disparities contribution from the metro-area pool increases .8%

	2012 Adopted Levy	2013 Proposed Levy	Change	
			Amount	Percent
General Fund	\$ 6,467,060	\$ 6,639,567	\$ 172,507	2.67%
EDA and HRA Funds	125,000	135,000	10,000	8.00%
Debt Funds (all combined)	658,026	685,000	26,974	4.10%
Replacement Funds	2,000,000	2,100,000	100,000	5.00%
Capital Improvement Funds	110,000	120,000	10,000	9.09%
Total Tax Levy	<u>\$ 9,360,086</u>	<u>\$ 9,679,567</u>	<u>\$ 319,481</u>	<u>3.41%</u>
Taxable Value (millions)	\$ 25.418	\$ 23.726	\$ (1.691)	-6.65%
Tax Rate-City	33.252%	36.953%	3.701%	11.13%
Tax Rate-HRA	0.254%	0.289%	0.035%	13.78%
Fiscal Disparities Contribution	\$ 838,214	\$ 845,000	\$ 6,786	0.81%

The majority of the General Fund levy increase for 2013 is related to public safety costs. Police and fire costs alone increased \$161,181, which is only \$11,326 less than the change in the General Fund levy. Replacement funds account for \$100,000 of the levy increase, followed by \$26,974 for debt payments, \$10,000 for the EDA and HRA, and \$10,000 for capital improvements. Additional information is provided on the next page.



The listing below provides a summary of items causing an increase in Shoreview’s proposed 2013 tax levy, followed by a brief discussion of each item:

Public safety contracts (police and fire)	\$ 161,181
Capital replacements	100,000
Debt payments	26,974
EDA and HRA	10,000
Capital improvements	10,000
All other changes combined (net)	<u>11,326</u>
Total Levy Changes	\$ 319,481

- Public safety provides for police (patrol, investigations, dispatch and animal control) and fire (continued duty-crew implementation and overall fire protection costs)
- Capital replacement levies support replacement of streets and other assets as needed
- Debt payment levies have been structured to minimize the impact on current and future tax levies by setting aside \$378,064 of General Fund surplus from the year 2010 and \$311,728 from 2011.
- EDA and HRA levies support economic development and housing related programs and activities
- Capital improvement levies provide funding for park enhancements
- Other significant expense changes include a 2% wage adjustment for full-time staff, health insurance costs, forestry program changes for the Emerald Ash Borer infestation, a community survey and equipment charges. These costs are mostly offset by projected revenue changes in the operating budget (license and permits, tree sales, administrative and engineering charges, and transfers).

## All Operating Funds Combined

Shoreview prepared a Biennial Budget, a Five-Year Operating Plan (FYOP) covering all operating and debt service funds, and a 5-year Capital Improvement Program (CIP) last year. As a result, the budget cycle this year focuses on amending the 2013 budget and CIP rather than preparing a new comprehensive document. The table on the next page summarizes the total proposed 2013 budget in comparison to prior years. The following funds are included in the table:

- General Fund
- Special Revenue Funds
  - Recycling
  - Community Center
  - Recreation Programs
  - Cable Television
  - Economic Development Authority
  - Housing and Redevelopment Authority
  - Slice of Shoreview
- Debt Funds
- Enterprise Funds
  - Water
  - Sewer
  - Surface Water Management
  - Street Lighting
- Internal Service Funds
  - Central Garage
  - Short-term Disability
  - Liability Claims

The above list, and the table on the next page include funds that receive tax dollars as well as funds that receive no tax support. For instance, the Recycling, Community Center, Recreation Programs, Cable Television, and Enterprise Funds cover the majority of operating costs through user charges and outside revenue.

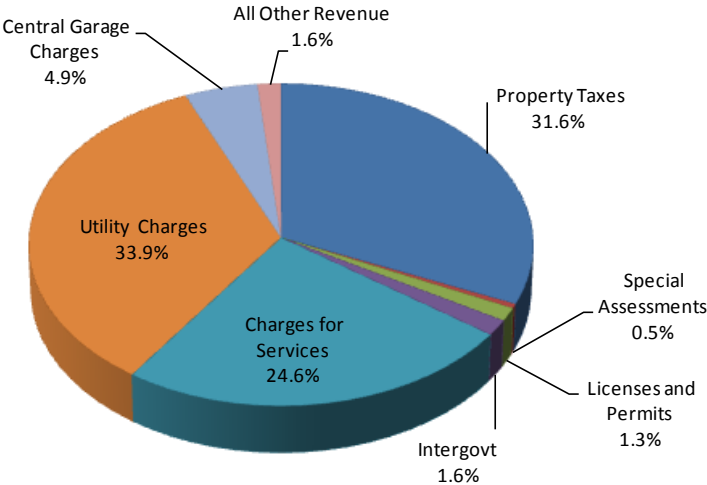
Capital Project Funds (for the construction and replacement of major assets) are not included in the table on the next page.

Total operating and debt service costs (excluding transfers between funds) are expected to increase 3.5% for 2013.

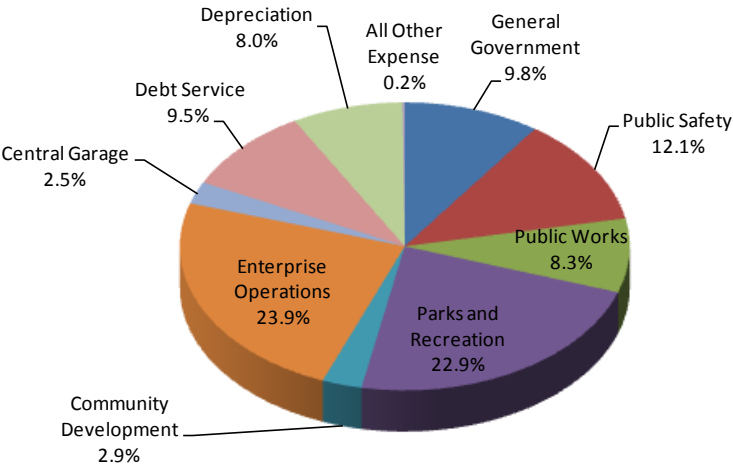
		2011	2012		2013
				Revised	Revised
Actual			Budget	Estimate	Budget
Revenue					
Property Taxes	\$ 6,966,068	\$ 7,250,086	\$ 7,250,086	\$ 7,459,567	
Special Assessments	186,281	115,865	115,865	107,971	
Licenses and Permits	441,243	292,750	422,450	314,050	
Intergovernmental	375,466	400,247	400,250	366,152	
Charges for Services	5,568,549	5,473,175	5,513,111	5,809,731	
Fines and Forfeits	62,135	62,000	62,000	62,500	
Utility Charges	7,100,858	7,540,762	7,789,730	7,993,640	
Central Garage Chgs	1,060,926	1,137,680	1,137,680	1,153,020	
Interest Earnings	351,119	208,550	181,550	163,350	
Other Revenues	126,918	81,860	81,860	80,740	
Total Revenue	\$ 22,239,563	\$ 22,562,975	\$ 22,954,582	\$ 23,510,721	
Expense					
General Government	\$ 2,037,408	\$ 2,307,905	\$ 2,350,137	\$ 2,345,660	
Public Safety	2,556,068	2,721,227	2,708,944	2,882,693	
Public Works	1,747,326	1,889,483	1,878,599	1,979,986	
Parks and Recr.	5,291,572	5,294,174	5,278,849	5,470,139	
Community Devel.	621,534	637,832	645,147	680,735	
Enterprise Oper.	5,272,823	5,409,730	5,335,170	5,705,039	
Central Garage	537,045	576,564	567,700	593,566	
Miscellaneous	156,808	48,000	50,000	40,000	
Debt Service	6,817,716	2,333,436	2,333,436	2,277,782	
Depreciation	1,636,971	1,861,000	1,861,000	1,907,000	
Total Expense	\$ 26,675,271	\$ 23,079,351	\$ 23,008,982	\$ 23,882,600	
Other Sources (Uses)					
Sale of Asset-Gain	64,457	20,000	20,000	41,000	
Debt Proceeds	-	-	-	20,000	
Debt Refunding	4,620,000	-	-	-	
Contrib Assets	17,281	-	-	-	
Transfers In	2,261,833	2,056,090	2,056,090	2,359,186	
Transfers Out	(1,496,802)	(1,149,840)	(1,149,840)	(1,340,320)	
Net Change	\$ 1,031,061	\$ 409,874	\$ 871,850	\$ 707,987	

The anticipated increase in fund equity for 2012 and 2013 occur primarily in special revenue, utility and internal service funds. These changes in fund balance are consistent with the fund balance goals established in the 2012-2016 Five-year Operating Plan (FYOP).

Utility charges (water, sanitary sewer, surface water and street lighting) provide 34% of operating revenue (the largest share), followed by 32% from property taxes, 25% from charges for service , 5% from central garage charges, 2% from intergovernmental revenue, 1% from licenses and permits and 1% from all other revenue.



Public works accounts for 32% of operating expense (24% for enterprise operations plus 8% for engineering, streets, trails and forestry). Parks accounts for 23%, followed by public safety at 12%, general government and debt at 10% each, depreciation at 8%, community development at 3% and central garage at 2%.



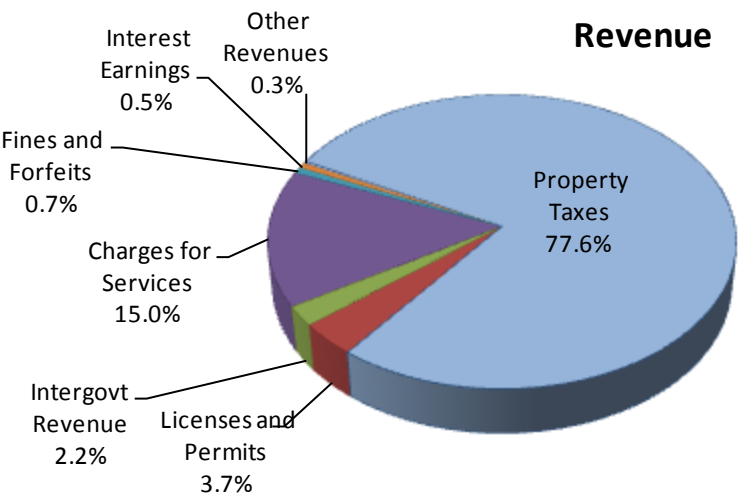
## General Fund

The General Fund is the City's primary operating fund. As such, it accounts for costs associated with basic government activities not already accounted for elsewhere, including: police and fire, street maintenance and snow plowing, community development, park and trail maintenance, city hall operations, and general government services.

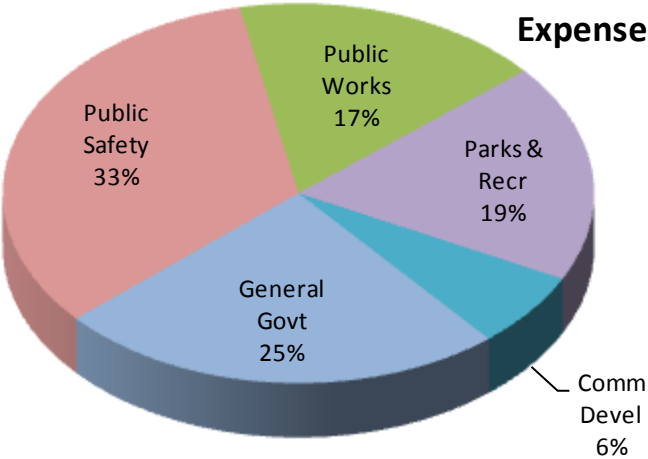
Contractual costs account for 53% of General Fund expense, followed by personal services at 44%, and supplies at 3%.

	Actual 2011	Budget 2012	Proposed 2013 Budget	
			Original	Revised
<b>Revenue</b>				
Property Taxes	\$ 6,265,673	\$ 6,467,060	\$ 6,717,037	\$ 6,639,567
Licenses and Permits	441,243	292,750	279,750	314,050
Intergovernmental	188,521	183,002	184,302	185,622
Charges for Services	1,198,357	1,164,450	1,205,680	1,284,970
Fines and Forfeits	62,135	62,000	62,500	62,500
Interest Earnings	79,714	45,000	45,000	45,000
Other Revenues	40,264	35,160	25,600	24,040
Total Revenue	\$ 8,275,907	\$ 8,249,422	\$ 8,519,869	\$ 8,555,749
<b>Expense</b>				
General Government	\$ 1,839,812	\$ 2,085,610	\$ 2,107,075	\$ 2,134,062
Public Safety	2,556,068	2,721,227	2,884,628	2,882,693
Public Works	1,298,219	1,400,009	1,461,077	1,475,820
Parks and Recreation	1,716,548	1,588,453	1,625,645	1,611,293
Community Devel.	530,288	534,323	547,944	558,381
Total Expense	\$ 7,940,935	\$ 8,329,622	\$ 8,626,369	\$ 8,662,249
Transfers In	471,450	481,000	519,000	519,000
Transfers Out	(751,145)	(400,800)	(412,500)	(412,500)
Net Change	\$ 55,277	\$ -	\$ -	\$ -

Property taxes account for 78% of General Fund revenue, followed by 15% from charges for services, 4% from licenses and permits, and 3% from all other sources combined.



Public safety accounts for the largest share of the General Fund budget at 33%, followed by 25% for general government, 19% for parks and recreation, 17% for public works and 6% for community development.



# Special Revenue Funds

The City operates seven special revenue funds, as follows:

- Recycling accounts for the bi-weekly curbside program.
- Community Center accounts for operation/maintenance of the facility. Admissions/memberships provide about 62% of revenue, while rentals, concessions and other fees provide 26%. Inter-fund transfers include \$232,000 from the General fund (to keep membership rates affordable and offset free or reduced room rental rates for community groups), and \$80,000 from the Recreation Programs fund for use of the facility.
- Recreation Programs accounts for fee-based recreational and social programs, and receives \$70,000 from the General fund for playground and general program costs.
- Cable Television accounts for franchise administration (through the North Suburban Communications Commission) and City communication activities. The primary revenue source is cable franchise fees.

	Recycling	Community Center	Recreation Programs	Cable Television
<b>Revenue</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	67,000	-	-	-
Charges for Services	480,980	2,323,755	1,400,926	288,400
Interest Earnings	-	9,000	4,800	1,800
Other Revenues	-	-	-	1,200
Total Revenue	547,980	2,332,755	1,405,726	291,400
<b>Expense</b>				
General Government	-	-	-	153,398
Public Works	504,166	-	-	-
Parks and Recreation	-	2,561,724	1,297,122	-
Community Development	-	-	-	-
Total Expense	504,166	2,561,724	1,297,122	153,398
<b>Other Sources (Uses)</b>				
Transfers In	-	312,000	70,000	-
Transfers Out	-	-	(80,000)	(116,920)
Net Change	\$ 43,814	\$ 83,031	\$ 98,604	\$ 21,082

- EDA accounts for Economic Development Authority activities, including: business retention and expansion, targeted redevelopment, employment opportunities, and efforts to strengthen and diversify the City's tax base.
- HRA accounts for Housing Redevelopment Authority efforts to preserve housing stock, and maintain quality neighborhoods through programs and policies designed to promote reinvestment and improvements to homes.
- Slice of Shoreview accounts for donations, sponsorships, revenues and expenses associated with the Slice of Shoreview event. The General fund provides \$10,000 in support to help defray costs of the event.

	EDA	HRA	Slice of Shoreview	Total
<b>Revenue</b>				
Property Taxes	\$ 60,000	\$ 75,000	\$ -	\$ 135,000
Intergovernmental	-	-	-	67,000
Charges for Services	-	-	23,000	4,517,061
Interest Earnings	-	-	-	15,600
Other Revenues	-	-	25,000	26,200
Total Revenue	60,000	75,000	48,000	4,760,861
<b>Expense</b>				
General Government	-	-	58,200	211,598
Public Works	-	-	-	504,166
Parks and Recreation	-	-	-	3,858,846
Community Development	52,547	69,807	-	122,354
Total Expense	52,547	69,807	58,200	4,696,964
<b>Other Sources (Uses)</b>				
Transfers In	-	-	10,000	392,000
Transfers Out	-	-	-	(196,920)
Net Change	\$ 7,453	\$ 5,193	\$ (200)	\$ 258,977



## Debt Service Funds

The table below provides a summary of revenue and expense for Debt Service Funds. Revenue derived from the debt levy and special assessments provide about 26% of the funding needed for annual principal and interest payments in 2013. These revenues are legally restricted to the payment of the debt, and therefore are held within the corresponding debt fund until the debt issue is paid in full. The remainder of funding for debt payments is provided by internal sources (in the form of transfers from other funds), interest earnings, tax increment collections, etc.

	G.O. Bonds & Capital Lease	TIF Bonds	G.O. Impr. Bonds	Total Debt Funds
<b>Revenue</b>				
Property Taxes	\$ 501,000	\$ -	\$ -	\$ 501,000
Special Assessments	-	-	107,971	107,971
Interest Earnings	13,500	-	5,550	19,050
Total Revenue	514,500	-	113,521	628,021
<b>Expense</b>				
Debt Service	844,436	677,845	196,460	1,718,741
<b>Other Sources (Uses)</b>				
Debt Proceeds	10,000	-	10,000	20,000
Transfers In	561,000	676,286	10,000	1,247,286
Transfers Out	-	-	(126,000)	(126,000)
Net Change	\$ 241,064	\$ (1,559)	\$ (188,939)	\$ 50,566

The planned decrease in fund balance for TIF and G.O. Improvement Bonds is due to the use of fund balances accumulated in the past and held for the payment of debt. At the end of 2010 and 2011 the City set aside General Fund surpluses to reduce the impact of future debt payments on the tax levy.

# Internal Service Funds

The City operates three internal service funds, as follows:

- Central Garage accounts for the operation and maintenance of vehicles, heavy machinery, miscellaneous equipment and the maintenance facility. The primary source of revenue is inter-fund equipment and building charges designed to recover operating expense. Property taxes, intergovernmental revenue (federal interest credits) and transfers in cover debt payments.
- Short-term Disability is a self-insurance fund that accounts for premiums charged for short-term disability coverage and expense associated with disability claims.
- Liability Claims accounts for dividends received annually from the League of Minnesota Cities Insurance Trust for the City’s liability insurance coverage as well as losses not covered by the City’s insurance (due to deductibles).

	Central Garage	Short-term Disability	Liability Claims	Total
<b>Revenue</b>				
Property Taxes	\$ 184,000	\$ -	\$ -	\$ 184,000
Intergovernmental	86,530	-	-	86,530
Charges for Services	-	7,500	-	7,500
Central Garage Charges	1,153,020	-	-	1,153,020
Interest Earnings	10,000	600	2,400	13,000
Other Revenues	-	-	30,000	30,000
Total Revenue	1,433,550	8,100	32,400	1,474,050
<b>Expense</b>				
Central Garage	593,566	-	-	593,566
Miscellaneous	-	8,000	32,000	40,000
Debt Service	243,128	-	-	243,128
Depreciation	696,000	-	-	696,000
Total Expense	1,532,694	8,000	32,000	1,572,694
<b>Other Sources (Uses)</b>				
Sale of Asset-Gain	41,000	-	-	41,000
Transfers In	200,900	-	-	200,900
Net Change	\$ 142,756	\$ 100	\$ 400	\$ 143,256

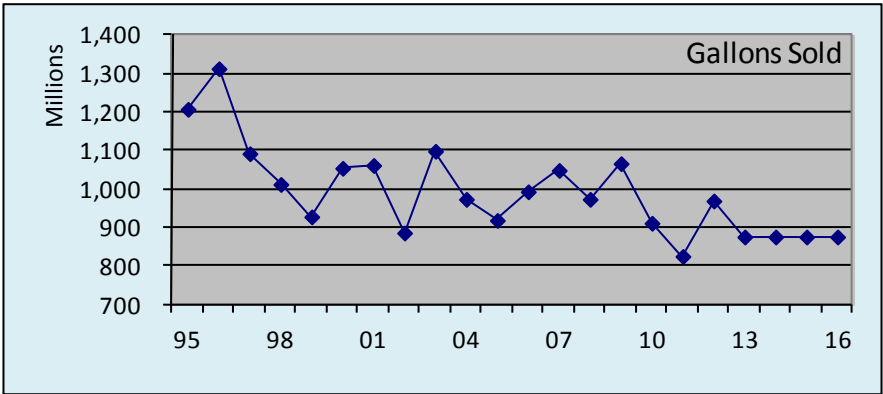
## Enterprise (Utility) Funds

The City operates four utility funds that account for services supported primarily through quarterly utility fees designed to cover operating costs, debt service, depreciation expense and replacement costs. The table below shows the proposed 2013 budget for each of these funds.

	Water	Sewer	Surface Water	Street Lighting	Total
<b>Revenue</b>					
Intergovernmental	\$ 12,940	\$ 10,310	\$ 3,750	\$ -	\$ 27,000
Charges for Services	-	200	-	-	200
Utility Charges	2,591,000	3,716,500	1,212,140	474,000	7,993,640
Interest Earnings	35,000	25,000	8,000	2,700	70,700
Other Revenues	-	-	-	500	500
Total Revenue	2,638,940	3,752,010	1,223,890	477,200	8,092,040
<b>Expense</b>					
Enterprise Operations	1,569,417	3,152,625	714,426	268,571	5,705,039
Debt Service	171,435	68,884	75,594	-	315,913
Depreciation	630,000	310,000	223,000	48,000	1,211,000
Total Expense	2,370,852	3,531,509	1,013,020	316,571	7,231,952
<b>Other Sources (Uses)</b>					
Transfers Out	(262,500)	(196,500)	(126,900)	(19,000)	(604,900)
Net Change	\$ 5,588	\$ 24,001	\$ 83,970	\$ 141,629	\$ 255,188

Even though water consumption increased in 2012, due to extended periods of drought throughout the summer, water use has generally declined in recent years due to changing demographics (age and number of residents per home), changing usage patterns (lower household use), and changing weather patterns. Because the decline in consumption makes it difficult to recover operating costs, the City made a structural change to water rates in 2012 by splitting the lowest tier into two tiers. The structural change in rates, coupled with slightly higher water consumption, will result in an operating surplus for 2012.

The graph below demonstrates the downward trend in total water consumption since 1995, and the estimated gallons used for future revenue projections (for the year 2013 through 2016). In general, weather is the primary cause of fluctuations in gallons sold from year to year (either due to sustained periods of drought or heavy rain). To ensure adequate water revenue in the future, base gallons are projected to continue at low levels through 2016.



Recent utility rate adjustments, combined with the structural change in water rates, are expected to result in a net gain in each of the City's utility funds for 2012 and 2013.

Significant items impacting utility operations include: depreciation of existing assets (\$1.2 million), replacement costs, sewer televising, sewage treatment costs (\$1.7 million), street light repairs, and energy costs.

More information about the City's utility funds is available in a separate document devoted entirely to utility operations.

## City Property Tax by Program

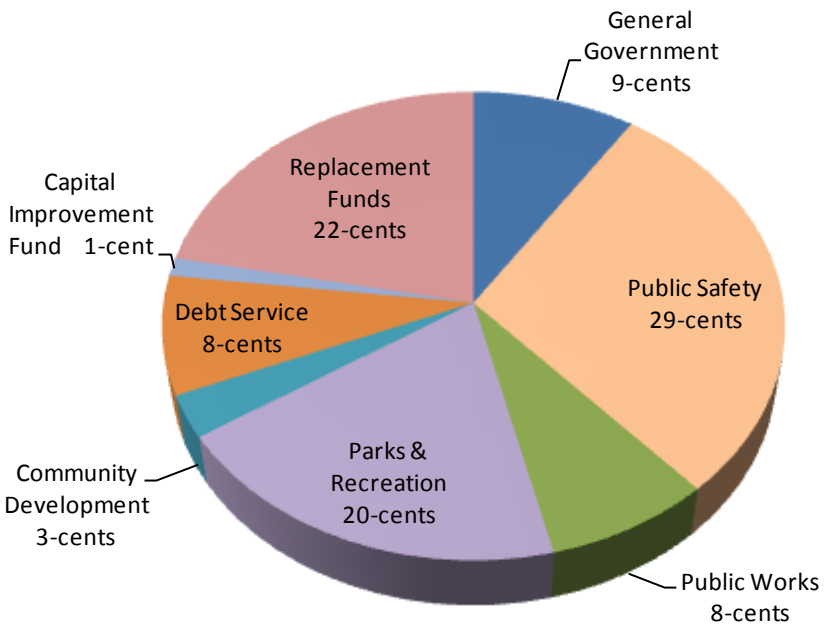
Shoreview's median home will pay about \$27 more for the City share of the property tax bill in 2013 (assuming a 6.7% decrease in value after the Homestead Market Value Exclusion is applied). Because property taxes support a variety of City programs and services, the table below is presented to illustrate the annual tax support by program for a median home value.

- Public safety accounts for the largest share at \$220 per year and accounts for nearly half of the increase (a \$13 increase)
- Replacement funds account for \$166 per year (an \$8 increase)
- Parks (all combined) account for \$148 per year (\$3 increase)
- General government (Council, administration, legal, city hall, etc.) accounts for \$70 per year (\$3 decrease)
- Debt service accounts for \$62 per year (\$2 increase)
- Public works accounts for \$60 per year (\$2 increase)
- Capital improvement accounts for \$9 per year (\$1 increase)
- Community development accounts for \$22 (less than \$1 increase)

Program	2012	2013	Change	
	City Tax	City Tax		
	value before MVE-> value after MVE->			
	\$ 235,700	\$ 222,200		
	\$ 219,673	\$ 204,958		
	Home	Home	\$	%
General Government	\$ 73.71	\$ 70.38	\$ (3.33)	
Public Safety	206.68	219.98	13.30	
Public Works	58.01	59.92	1.91	
Parks and Recreation:				
Park Admin and Maint	122.00	124.09	2.09	
Community Center Operation	17.68	18.33	0.65	
Recreation Programs	5.11	5.53	0.42	
Community Development	21.84	22.27	0.43	
Debt Service	59.61	61.97	2.36	
Capital Improvement Fund	8.62	9.47	0.85	
Replacement Funds	157.29	165.60	8.31	
Total City Taxes	\$ 730.55	\$ 757.54	\$ 26.99	3.7%

The pie chart below illustrates how the City will spend each tax dollar it receives in 2013:

- 29 cents for public safety
- 22 cents for replacement funds
- 20 cents for parks
- 9 cents for general government
- 8 cents for public works
- 8 cents for debt service
- 3 cents for community development
- 1 cent for capital improvements



# What does this mean to my taxes?

Minnesota’s property tax system uses market value to distribute tax burden (adopted levies) among property served.

Market Value Changes—Per the Ramsey County Assessor, 12% of Shoreview home values will remain at the same value for 2013 taxes, 11% of home values will increase, and the remaining 77% of home values will decrease.

Despite these value reductions, total property taxes will increase for about half of home owners, due to the combination of declining taxable values and levy changes.

Shoreview Residential Property		
Value Change	Number of Homes	Percent of Total
Increase more than 5%	51	0.5%
Increase up to 5%	979	10.4%
No change	1,095	11.7%
Decrease .1% to 5%	2,033	21.7%
Decrease 5.1% to 10%	1,947	20.7%
Decrease 10.1% to 15%	1,834	19.5%
Decrease more than 15%	1,448	15.4%
Total Homes	9,387	100.0%

Homestead Market Value Exclusion (HMVE) — The HMVE program (new for 2012 property taxes) continues for 2013. This program is designed to exclude a portion of market value for homes valued less than \$413,000. The overall effect of the new program is that it:

- Shifts tax burden from lower valued residential property to commercial/industrial, apartment and higher valued residential property
- Reduces overall taxable values by excluding a portion of home value for tax purposes
- Increases tax rates due to the reduction in values (tax rates are computed by dividing tax levies by the total taxable value for the taxing entity)

Change in City Tax on Median Home Value—The table below illustrates how changes in value impact Shoreview’s share of the tax bill for a median value home (for the City share of the tax bill only). Each line assumes a different change in market value.

- A home with a 15% drop in value will pay \$45 less in City taxes for 2013
- A home with a 12.5% drop in value will pay \$21 less in City taxes for 2013
- A home with a 10% drop in value will essentially pay the same amount for City taxes in 2013
- A home with a 6.7% drop in value will pay \$27 more in City taxes for 2013
- A home with a 3.5% drop in value will pay \$51 more in City taxes for 2013
- A home with no change in value will pay \$76 more in City taxes for 2013
- A home with a 2.5% increase in value will pay \$93 more in City taxes for 2013

Market Value			City Portion of Property Tax		Change in City Property Tax	
After MVE						
2012	2013	Value Change	2012	2013	Dollars	Percent
\$ 241,300	\$ 205,000	-15.0%	\$ 802.37	\$ 757.54	\$ (44.83)	-5.6%
\$ 234,200	\$ 205,000	-12.5%	\$ 778.76	\$ 757.54	\$ (21.22)	-2.7%
\$ 227,800	\$ 205,000	-10.0%	\$ 757.48	\$ 757.54	\$ 0.06	0.0%
\$ 219,700	\$ 205,000	-6.7%	\$ 730.55	\$ 757.54	\$ 26.99	3.7%
\$ 212,470	\$ 205,000	-3.5%	\$ 706.61	\$ 757.54	\$ 50.93	7.2%
\$ 205,000	\$ 205,000	0.0%	\$ 681.67	\$ 757.54	\$ 75.87	11.1%
\$ 199,950	\$ 205,000	2.5%	\$ 665.04	\$ 757.54	\$ 92.50	13.9%

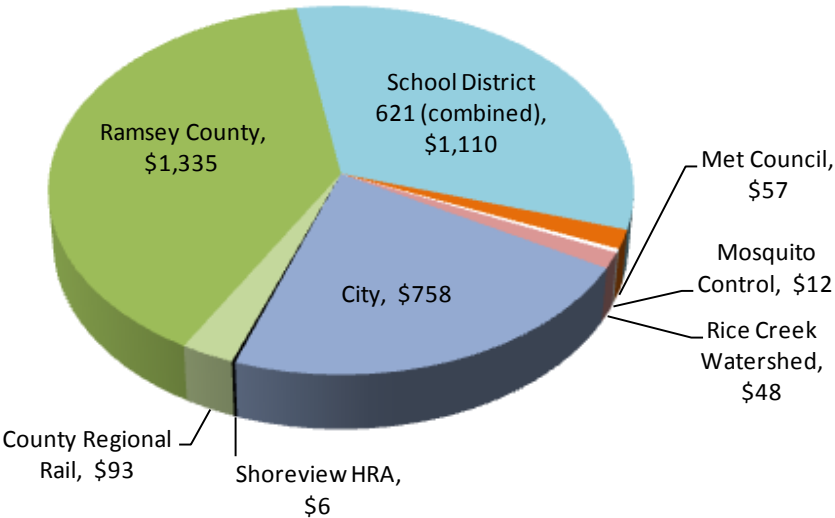
Since Minnesota’s property tax system uses market value to distribute property tax burden, the 2013 tax is identical for each line of the table above (the 2013 value is \$205,000 in each line), however, the change from 2012 varies depending on the change in the property value.



# Distribution of Property Tax Bill

About 22% of the total property tax bill goes to Shoreview. For 2013, Shoreview’s median home value is \$222,200, which is reduced to \$205,000 by the HMVE. The total tax on the \$205,000 value (for homes located in the Mounds View School District) is about \$3,418, and Shoreview’s share is \$758.

The pie chart below shows the 2013 total tax bill by jurisdiction (using preliminary tax rates). The Mounds View school district share is combined in the chart (regular levies and referendum levies) for a total of \$1,110.



School district taxes in the Roseville school district (for the same \$205,000 home value) would be \$861 (\$249 less than the \$1,110 total in the Mounds View district).

# Property Tax Comparison - City Taxes

The graph below compares the 2012 City portion of the property tax bill for Shoreview and 28 other metro-area cities. All estimates are for a \$235,700 home value (Shoreview’s median value in 2012). Shoreview ranks 5th lowest, and is about 24% lower than the average of \$961. Despite the favorable comparison for the City share of the tax bill, the total tax bill for all jurisdictions (City, County, school district and special taxing districts combined) ranks 9th highest for the same group of cities (4% above average) largely due to County taxes.



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## *Community Benchmarks*

*How does Shoreview compare?*

September 2012

City of Shoreview, Minnesota  
4600 Victoria Street North  
Shoreview, MN 55126

## Introduction

Comparisons of taxes and spending among cities are a topic of interest as the City moves through the annual budget process. Benchmark comparisons are assembled for metro-area cities closest to Shoreview in size (using population levels), and for peer cities that generally receive high quality-of-life ratings from citizens in their respective community surveys.

The comparisons are useful to illustrate how taxes and spending compare to Shoreview, as well as to evaluate how Shoreview's ranking changes over time. This document provides a summary of the information in preparation for the annual budget hearing.

Statistical information is derived from two key sources:

1. League of Minnesota Cities (LMC) publishes a report each fall on City property values, tax levies, tax rates and state aid for the current year. The most recent report provides 2012 data.
2. Minnesota Office of State Auditor (OSA) publishes a report in the spring on final City revenue, spending, debt levels and enterprise activity for two years earlier. The most recent OSA report provides 2010 data.

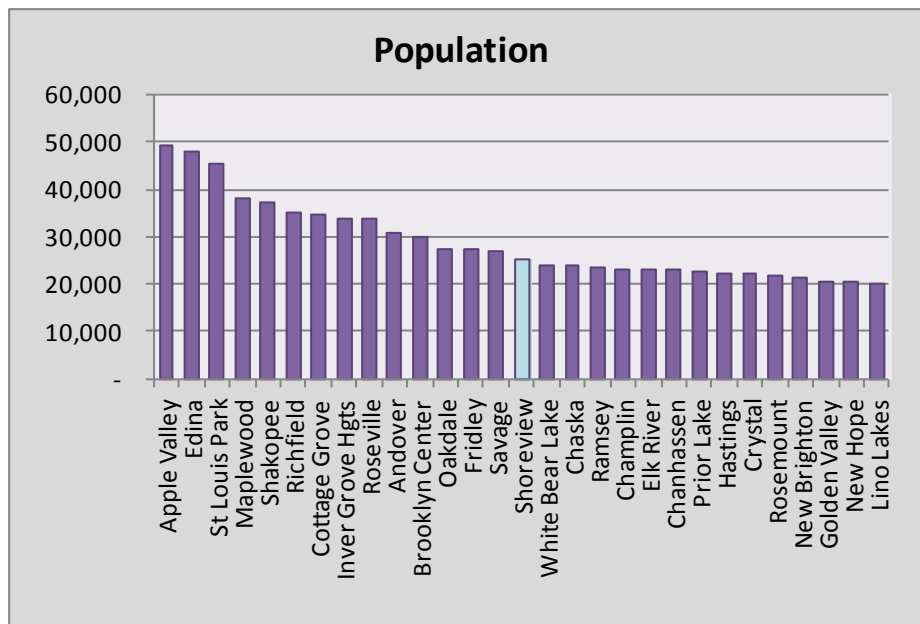
Shoreview uses both the LMC and OSA information to assemble two sets of data:

1. Comparison Cities - to illustrate how Shoreview ranks in relation to metro-area cities with population levels closest to Shoreview by selecting 14 cities larger and 14 cities smaller. These are cities with populations between 20,000 and 50,000.
2. MLC Cities - to illustrate how Shoreview ranks in relation to cities belonging to the Municipal Legislative Commission (MLC).

The 16 peer cities represented by the Municipal Legislative Commission (MLC) provide important comparisons because these cities have achieved high quality-of-life rankings from their residents in their respective community surveys, and they are often recognized as having sound financial management. In fact, most of the 16 cities have AAA bond ratings, as does Shoreview.

Population

The graph below contains the 2011 population for each of the comparison cities. By design, Shoreview falls exactly in the middle. A similar graph with population levels for MLC cities is presented on page 13.



# City-Share of Property Taxes

The 2012 City-share of property taxes for a \$235,700 home (Shoreview's median value) is illustrated in the graph below. Shoreview ranks 5th lowest at \$731, and is about 24% below the average of \$961. It should be noted that for property tax purposes, the home value is reduced from \$235,700 to \$219,673 due to market value exclusion (MVE).



## Tax Levy Ranking

Shoreview's tax levy rank has improved in the last 10 years in relation to comparison cities. For instance, in the year 2002 Shoreview ranked 18, and has dropped 2 positions to rank 20 in 2012. Shoreview's tax levy was 21.2% below the average of comparison cities in 2002, compared to 23.7% below the average for 2012.

2002		
Rank	City	Levy
1	Edina	\$16,990,739
2	Apple Valley	15,157,362
3	St. Louis Park	14,272,112
4	Golden Valley	10,682,329
5	Richfield	10,231,685
6	Maplewood	9,645,563
7	Brooklyn Center	9,503,505
8	Inver Grove Hgts	8,922,888
9	Roseville	8,922,740
10	Cottage Grove	8,466,017
11	New Hope	7,488,634
12	Chanhassen	6,742,474
13	Rosemount	6,735,846
14	Savage	6,614,823
15	Oakdale	6,607,519
16	Hastings	6,576,242
17	Shakopee	6,500,394
18	Shoreview	5,979,013
19	Lino Lakes	5,902,284
20	Crystal	5,644,690
21	Andover	5,626,617
22	Fridley	5,613,258
23	Champlin	5,256,896
24	New Brighton	5,162,859
25	Elk River	5,118,217
26	Prior Lake	4,805,197
27	Ramsey	4,623,388
28	White Bear Lake	4,307,701
29	Chaska	2,051,788
Average		\$ 7,591,475
Shvw to Avg		-21.2%

2012		
Rank	City	Levy Before MVHC Cuts
1	Edina	\$25,641,719
2	St Louis Park	23,763,589
3	Apple Valley	20,223,318
4	Maplewood	17,167,391
5	Richfield	16,981,362
6	Golden Valley	16,410,340
7	Inver Grove Hgts	14,958,700
8	Shakopee	14,717,435
9	Savage	14,670,008
10	Roseville	14,137,295
11	Brooklyn Center	13,208,169
12	Cottage Grove	12,241,249
13	Hastings	11,746,070
14	Andover	10,448,972
15	Fridley	10,383,597
16	Rosemount	10,331,935
17	Elk River	10,275,572
18	Oakdale	9,880,974
19	Chanhassen	9,802,043
20	Shoreview	9,290,085
21	New Hope	9,229,295
22	Crystal	8,792,834
23	Ramsey	8,414,125
24	Prior Lake	8,285,601
25	Lino Lakes	8,227,487
26	New Brighton	7,289,559
27	Champlin	7,239,634
28	Chaska	4,880,331
29	White Bear Lake	4,665,427
Average		\$ 12,182,901
Shvw to Avg		-23.7%



## State Aid

Shoreview receives no local government aid (LGA) to help support the cost of City services. The table below shows the total LGA received by each comparison city, as well as the amount of LGA per capita. The highest city (on a per capita basis) is Crystal at \$65.69 of LGA per capita. Most comparison cities receive no LGA.

City	Local Govt Aid (LGA)	LGA Per Capita
Crystal	\$ 1,455,066	\$ 65.69
White Bear Lake	\$ 1,532,448	\$ 64.40
Richfield	\$ 1,218,346	\$ 34.58
Fridley	\$ 759,414	\$ 27.91
Brooklyn Center	\$ 411,378	\$ 13.67
New Hope	\$ 41,843	\$ 2.06
Chaska	\$ 37,441	\$ 1.58
Apple Valley	\$ -	\$ -
Edina	\$ -	\$ -
St Louis Park	\$ -	\$ -
Maplewood	\$ -	\$ -
Shakopee	\$ -	\$ -
Cottage Grove	\$ -	\$ -
Inver Grove Hgts	\$ -	\$ -
Roseville	\$ -	\$ -
Andover	\$ -	\$ -
Oakdale	\$ -	\$ -
Savage	\$ -	\$ -
Shoreview	\$ -	\$ -
Ramsey	\$ -	\$ -
Champlin	\$ -	\$ -
Elk River	\$ -	\$ -
Chanhassen	\$ -	\$ -
Prior Lake	\$ -	\$ -
Hastings	\$ -	\$ -
Rosemount	\$ -	\$ -
New Brighton	\$ -	\$ -
Golden Valley	\$ -	\$ -
Lino Lakes	\$ -	\$ -

## Tax Rates

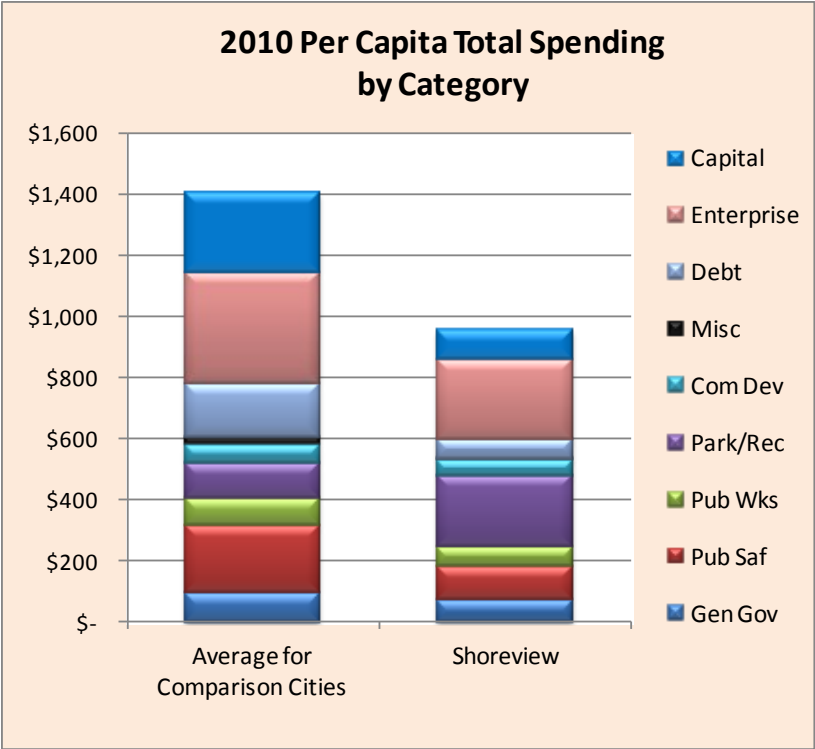
Tax rates provide a useful comparison because they measure both levies and values (the levy is divided by the taxable value to compute the tax rate). Shoreview's tax rate has remained relatively constant in the last 10 years, ranking 6th lowest in both 2002 and 2012. For 2012, Shoreview is about 22.4% below the average tax rate of 42.83%.

2002		
Rank	City	Tax Rate
1	Rosemount	59.55%
2	Hastings	58.66%
3	Brooklyn Center	57.71%
4	New Hope	53.79%
5	Lino Lakes	53.08%
6	Richfield	51.72%
7	Golden Valley	51.49%
8	Cottage Grove	47.41%
9	Apple Valley	45.94%
10	Inver Grove Hgts	45.23%
11	Elk River	43.60%
12	Crystal	43.36%
13	Champlin	42.36%
14	Oakdale	42.09%
15	Ramsey	41.58%
16	Prior Lake	39.89%
17	New Brighton	38.90%
18	St Louis Park	38.13%
19	Chanhassen	37.77%
20	Maplewood	35.44%
21	Savage	34.11%
22	Shakopee	33.98%
23	Andover	33.27%
24	Shoreview	30.40%
25	Fridley	29.99%
26	Roseville	29.41%
27	Edina	27.81%
28	White Bear Lake	27.37%
29	Chaska	19.84%
Average		41.17%
Shvw to Avg		-26.2%

2012		
Rank	City	Tax Rate
1	Hastings	66.08%
2	Brooklyn Center	64.36%
3	Richfield	60.81%
4	Golden Valley	55.80%
5	New Hope	55.11%
6	Crystal	51.34%
7	Savage	51.12%
8	Elk River	47.59%
9	Rosemount	46.99%
10	Inver Grove Hgts	45.36%
11	Ramsey	44.17%
12	Apple Valley	44.11%
13	Maplewood	44.06%
14	St Louis Park	43.87%
15	Lino Lakes	42.89%
16	Andover	42.26%
17	New Brighton	41.43%
18	Cottage Grove	41.29%
19	Champlin	41.20%
20	Fridley	39.62%
21	Oakdale	39.25%
22	Shakopee	36.66%
23	Roseville	33.45%
24	Shoreview	33.25%
25	Prior Lake	29.74%
26	Chanhassen	28.52%
27	Edina	26.25%
28	Chaska	25.49%
29	White Bear Lake	19.94%
Average		42.83%
Shvw to Avg		-22.4%

# Total Spending Per Capita

Data obtained from the OSA each year helps Shoreview compare total spending per capita. The graph below contrasts the average spending per capita in 2010 for comparison cities along side the per capita spending in Shoreview. Shoreview's total 2010 spending is about \$954 per capita, which is about 32% below the average of \$1,395.



## Spending Per Capita by Activity

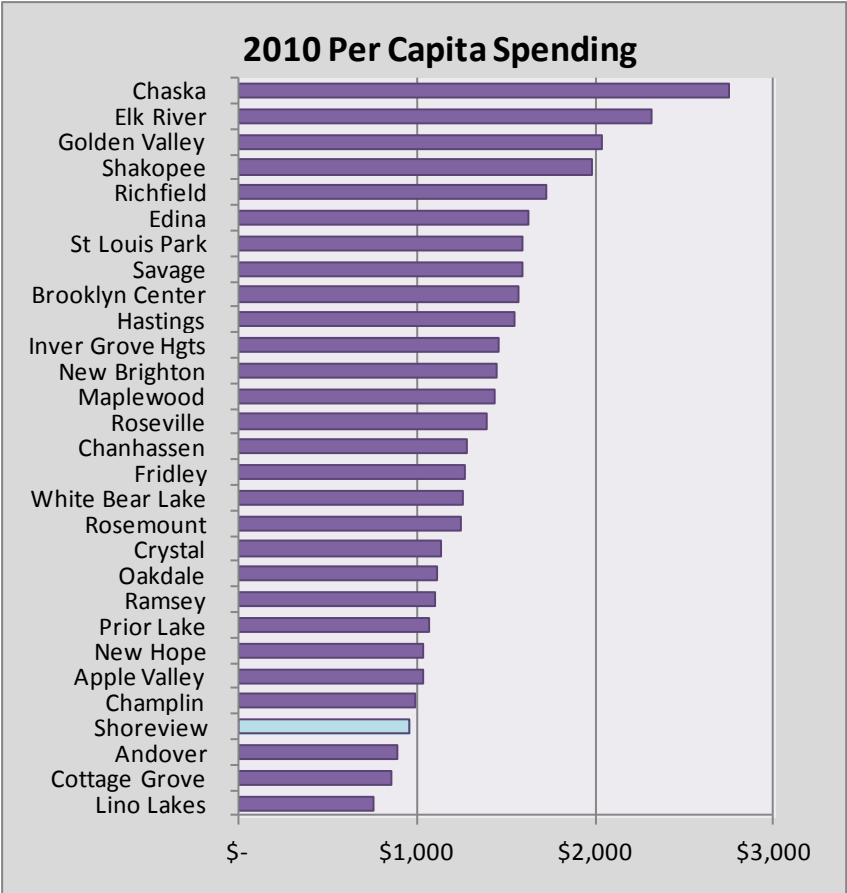
When reviewing spending in more detail, Shoreview is below average in all activities except parks and traditional utility operations (water, sewer, storm and street lighting).

- Parks and recreation spending is higher in Shoreview due to the Community Center and Recreation Program operations (largely supported by user fees and memberships).
- Utility spending is higher due to differences in how cities account for storm sewer and street light operations. For instance, some cities support these operations with property tax revenue.
- Public safety spending in Shoreview is the lowest for all comparison cities, at \$111.96 per capita, due to the efficiencies gained by contracting for both police and fire protection.
- Debt payments are 63% below average in Shoreview due to lower overall debt balances.

2010 Per Capita Spending	Average	Shoreview	Shoreview to Average	
			Dollars	Percent
General government	\$ 94.20	\$ 69.47	\$ (24.73)	-26.3%
Public safety	220.10	111.96	(108.14)	-49.1%
Public works	88.88	62.59	(26.29)	-29.6%
Parks	114.90	233.38	118.48	103.1%
Commun devel/EDA/HRA/Housing	60.29	52.61	(7.68)	-12.7%
All other governmental	16.29	3.44	(12.85)	-78.9%
Water/sewer/storm/st lights	232.08	259.75	27.67	11.9%
Electric	109.76	-	(109.76)	-100.0%
All other enterprise operations	22.65	-	(22.65)	-100.0%
Debt payments	175.20	65.17	(110.03)	-62.8%
Capital outlay	260.67	95.54	(165.13)	-63.3%
Total All Funds	\$ 1,395.02	\$ 953.91	\$ (441.11)	-31.6%

The graph below shows total 2010 spending per capita (spending divided by population) for all comparison cities. Spending levels range from a high of \$2,754 in Chaska to a low of \$760 in Lino Lakes.

Shoreview ranks 4th lowest at \$954 per capita, and is 32% below the average of \$1,395.



## Revenue Per Capita by Source

Shoreview is below average for every revenue classification in 2010 except charges for service and traditional utility revenue, and is about average for tax increment. Recreation program fees and community center admissions and memberships cause Shoreview to collect charges for service revenue well above average. Shoreview is 2nd lowest for special assessments and state aid (from all sources combined), while remaining more than 17% below average in property taxes.

2010 Per Capita Revenue	Average	Shoreview	Shoreview to Average	
			Dollars	Percent
Property tax	\$ 417.95	\$ 345.37	\$ (72.58)	-17.4%
Tax increment (TIF)	74.33	77.29	2.96	4.0%
Franchise tax	16.61	11.31	(5.30)	-31.9%
Other tax	1.62	0.59	(1.03)	-63.6%
Special assessments	50.90	8.32	(42.58)	-83.7%
Licenses & permits	26.42	20.01	(6.41)	-24.3%
Federal (all combined)	22.84	0.36	(22.48)	-98.4%
State (all combined)	64.22	15.15	(49.07)	-76.4%
Local (all combined)	14.09	2.38	(11.71)	-83.1%
Charges for service	123.71	209.55	85.84	69.4%
Fines & forfeits	8.46	1.31	(7.15)	-84.5%
Interest	17.37	5.34	(12.03)	-69.3%
All other governmental	32.20	8.00	(24.20)	-75.2%
Water/sewer/storm/street lighting	229.86	263.75	33.89	14.7%
Electric enterprise	118.84	-	(118.84)	-100.0%
All other enterprise	27.57	-	(27.57)	-100.0%
Total Revenue per capita	\$ 1,246.99	\$ 968.73	\$ (278.26)	-22.3%

The combined results for property tax and special assessments is striking because Shoreview's long-term strategy for the replacement of streets shifts a greater burden for replacement costs to property taxes and utility fees, and away from special assessments. Shoreview's Comprehensive Infrastructure Replacement Policy states that "the City, as a whole, is primarily responsible for the payment of replacement and rehabilitation costs".

Shoreview's policy further states "the maximum cost to be assessed for any reconstruction and/or rehabilitation improvements is limited to the cost of added improvements", meaning property owners pay for an improvement only once via assessments. This practice is uncommon among comparison cities.

In order to achieve this result, Shoreview estimates replacement costs for a minimum of 40 years and identifies the resources (tax levies and user fees) necessary to support capital replacement costs well in advance. To comply with the policy requirements, Shoreview prepares an annual Comprehensive Infrastructure Replacement Plan (CHIRP).

This practice would seem to suggest that property taxes would be significantly higher in Shoreview to generate the resources needed to fund capital replacements, yet the tables and graphs provided on previous pages in this document illustrate that Shoreview remains not only competitive but ranks consistently lower than comparison cities.

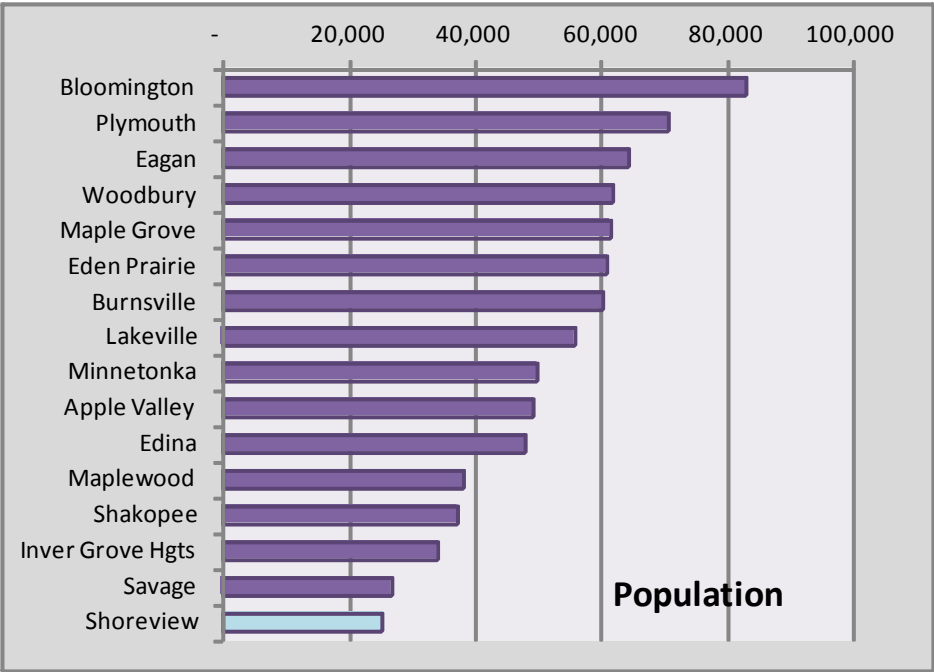
- Shoreview's 2010 spending per capita ranks 4th lowest
- Shoreview's assessment collections per capita are 2nd lowest among comparison cities
- Shoreview's share of the 2012 property tax bill, on a home valued at \$235,700, is 5th lowest
- Shoreview receives no state aid (LGA) to help pay for city services and reduce the property tax burden
- Shoreview's tax rate has remained stable and low in relation to comparison cities, ranking 24th among comparison cities in 2012 and in 2002

In short, Shoreview's long-term capital replacement planning has allowed the city to keep pace with replacement needs, and strongly limit the use of assessments while keeping property taxes lower than most comparison cities.

# Comparison to MLC Cities

Comparisons for the 16 cities belonging to the Municipal Legislative Commission (MLC) provide an important comparison because these peer cities generally achieve high quality-of-life rankings from their residents in their respective community surveys, and are often recognized as having sound financial management (and most have AAA bond ratings, like Shoreview).

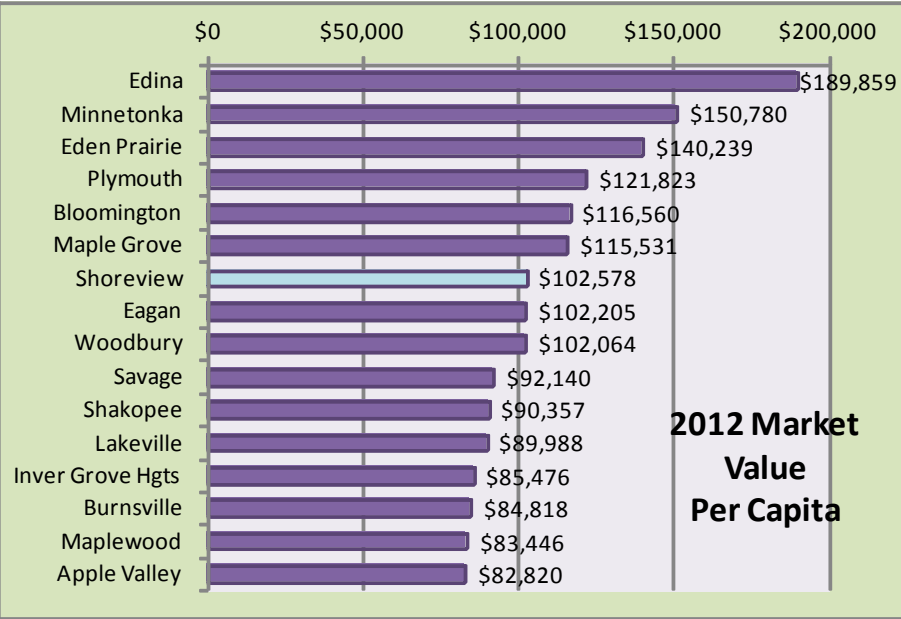
Shoreview has the smallest population in the group, and is roughly half the average for the group.





Market Value comparisons are most useful when viewed on a per capita basis, because the geographic size and total market value of each community can vary greatly. For instance, Bloomington has the highest total market value at \$131.9 million followed by Edina with total market value of \$83.0 million. Once the value is divided by population, Edina ranks highest at \$189,859 of value per resident, while Bloomington ranks 5th at \$116,560.

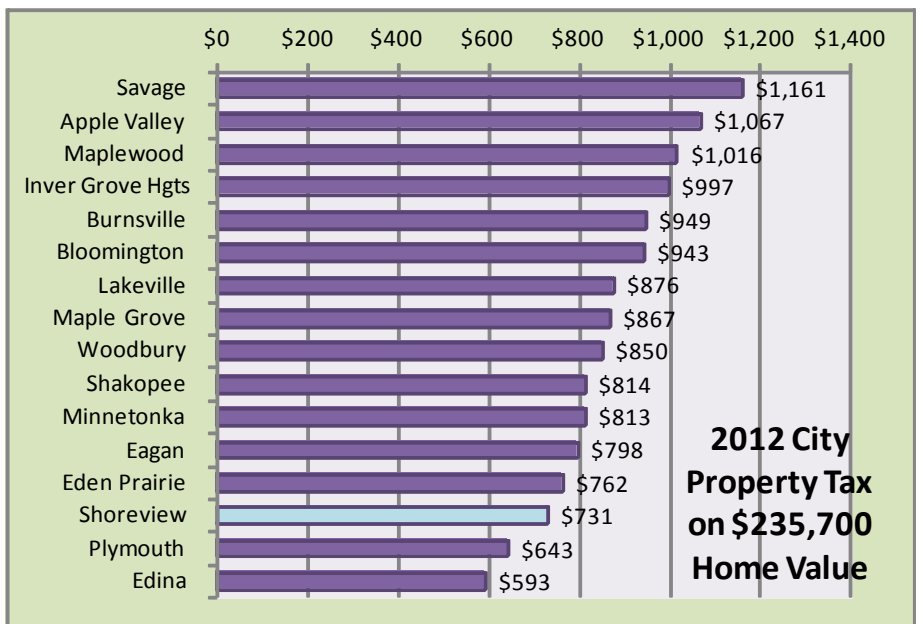
The graph below presents market value per capita for each MLC city. Shoreview is near the middle of the group (about 6.2% below the average of \$109,418).



Property Tax by Component Unit comparisons are perhaps the most revealing because taxes are compared for each type of component unit (i.e. city, county, school district and special districts).

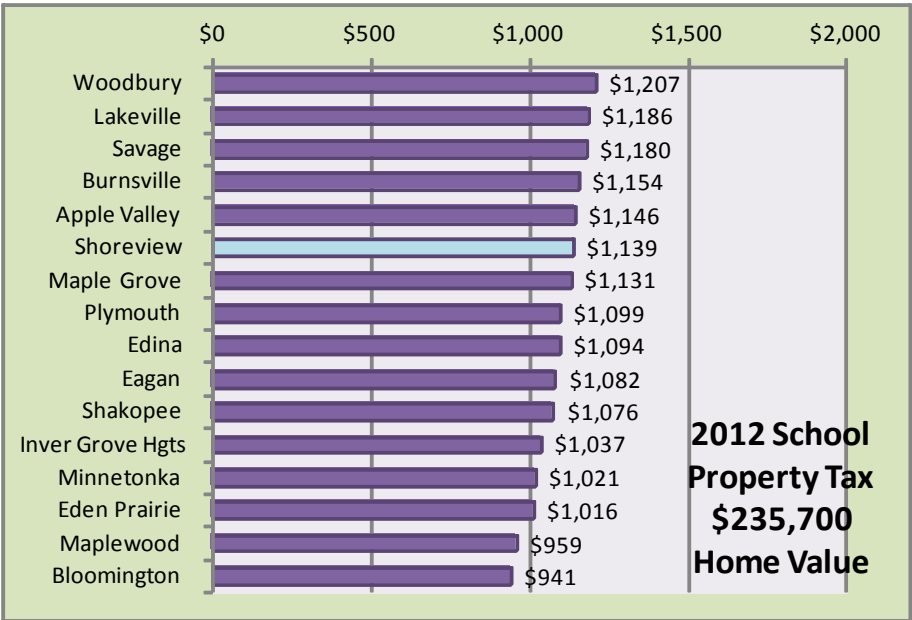
The next 5 graphs compare property taxes by the type of taxing jurisdiction, starting with the city share of the tax bill.

City taxes are presented below for a home valued at \$235,700 (Shoreview’s median value). Shoreview ranks 3rd lowest at \$731, compared to a high of \$1,161 in Savage, and a low of \$593 in Edina. The average City tax for MLC cities is \$867.



School District property taxes are presented in the table below. It should be noted that the estimate for Shoreview assumes that the property is located in the Mounds View school district. Since MLC cities are located throughout the metro area, this illustration provides a comparison for a variety of school districts.

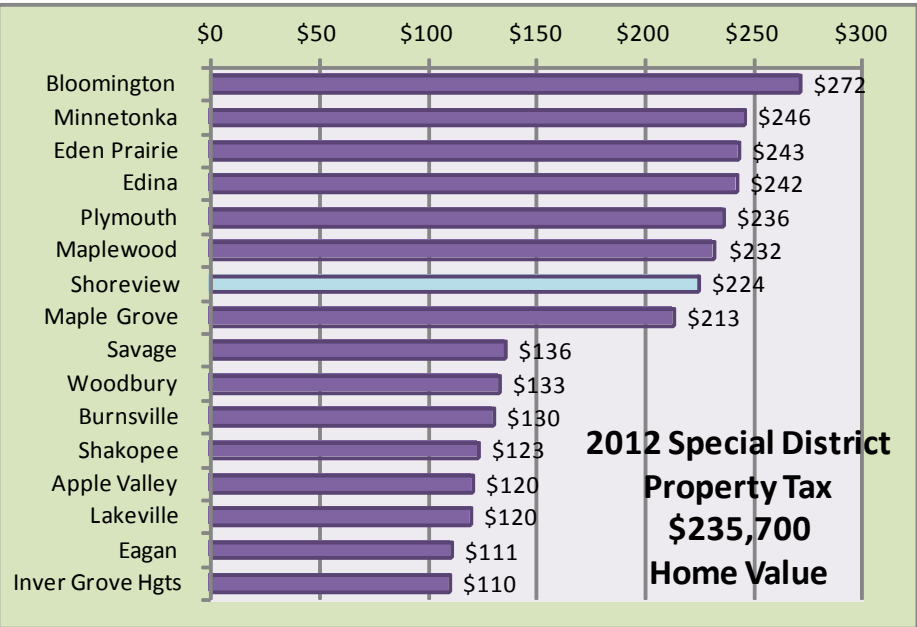
Property taxes in the Mounds View school district rank about 4% above the MLC city average.



Special Districts also vary throughout the metro area, depending on the watershed districts and local housing districts in each City. In Shoreview, special districts include the Regional Rail Authority, Metropolitan Council, Mosquito Control, Rice Creek Watershed and the Shoreview HRA. The special district tax bill in Shoreview breaks down as follows:

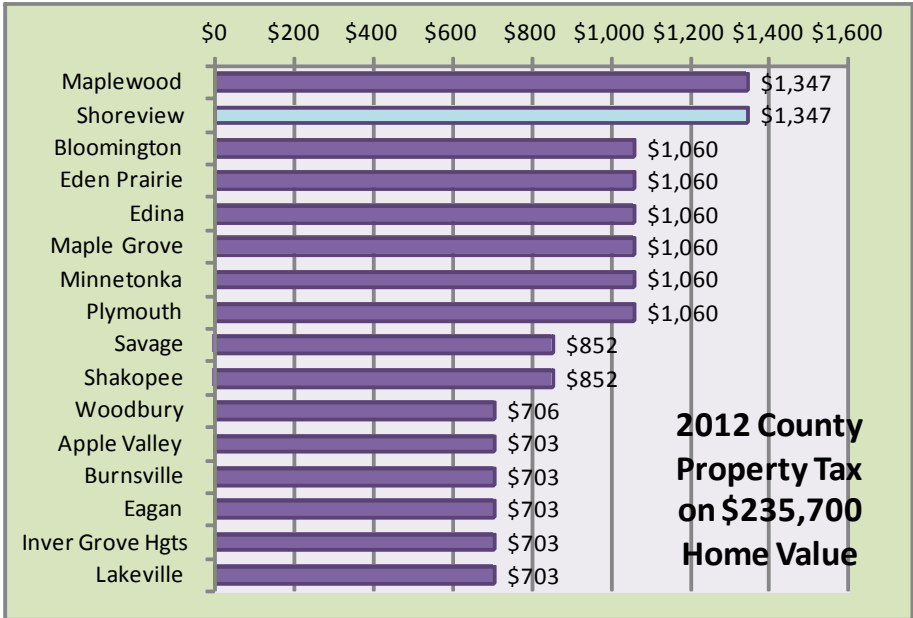
Regional Rail	\$ 95
Metropolitan Council	59
Mosquito Control	12
Rice Creek Watershed	52
Shoreview HRA	<u>6</u>
Total Special District Tax	\$224

The graph below presents an estimate for combined special district property taxes in each City. In Shoreview, the combined tax for these districts ranks 24% above the average of \$181.

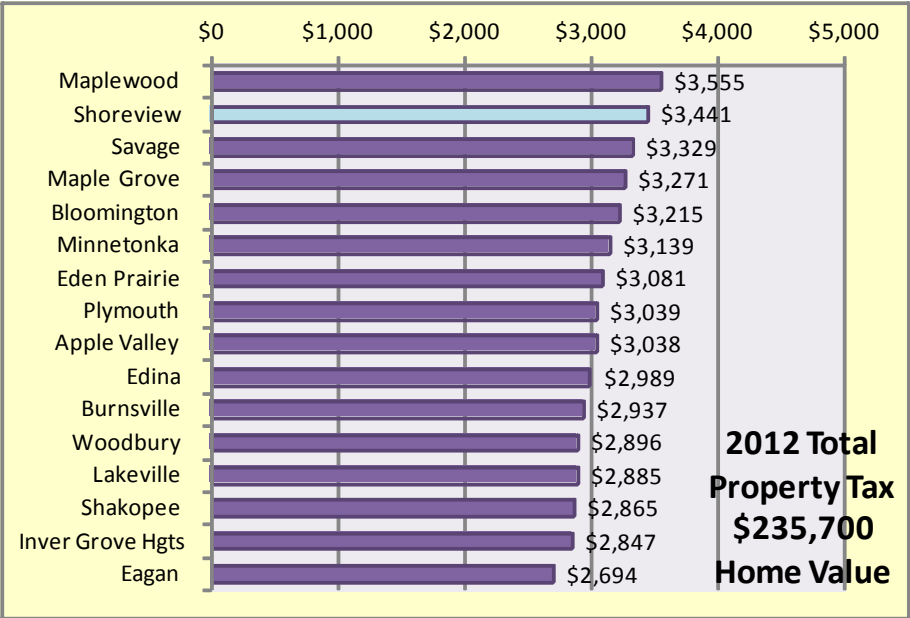


County property taxes have the largest variance from the highest cities to the lowest cities.

- Ramsey County taxes are \$1,347, the highest for MLC cities. Cities in Ramsey County include Maplewood and Shoreview.
- Hennepin County cities are \$1,060, second highest for MLC cities (including the cities of Bloomington, Eden Prairie, Edina, Maple Grove, Minnetonka and Plymouth).
- Scott County taxes are \$852 (including the cities of Savage and Shakopee).
- Washington County taxes are \$706 (Woodbury).
- Dakota County is lowest at \$703 (including the cities of Apple Valley, Burnsville, Eagan, Inver Grove Heights and Lakeville).



Total taxes in Shoreview (for all taxing jurisdictions combined) rank 2nd highest among MLC cities (see graph below).



To further put the difference into perspective, the table below provides a side-by-side comparison of the total tax bill in Shoreview compared to the total tax bill in Eagan (the lowest MLC city). For the same value home, county property taxes are \$644 higher in Shoreview, school district taxes are \$57 higher, special district taxes are \$113 higher and City taxes are \$67 lower.

Jurisdiction	Shoreview	Eagan	Difference
County	\$ 1,347	\$ 703	\$ 644
School District	1,139	1,082	57
City	731	798	(67)
Special Districts	224	111	113
Total	\$ 3,441	\$ 2,694	\$ 747

## Summary

Additional information on the City's budget, tax levy and utility rates will be made available in late November on the City's website and at city hall through two other informational booklets:

- Budget Summary
- Utility Operations

The budget hearing on the City's 2013 Budget is scheduled for December 3, 2012 at 7:00 p.m., in conjunction with the first regular Council meeting in December.

Adoption of the final tax levy, budget, capital improvement program and utility rates is scheduled for December 17, 2012 (the second regular Council meeting in December).

This document was prepared by the City's finance department.





## Utility Operations and 2013 Utility Rates



Water, Sewer,  
Surface Water, and  
Street Lighting



## **What is safe tap water worth to you?**

Our water towers and the pipes below streets need constant attention to keep the tap water that supports our daily lives flowing at the right pressure without fail. Consistent access to safe water helps:

- Keep us healthy
- Fight fires
- Support our economy
- Enhance our high quality of life

Ensuring continued access to safe water also involves the proper collection and treatment of waste water (sewage), and it doesn't stop there. In order to protect the quality of our lakes and streams it is also necessary to properly collect and direct storm water through the use of storm systems and ponds, and by removing debris in the form of sand and salt from roadways.

The process of protecting our varied and numerous water assets requires a coordinated effort to manage each of the resources carefully and to comply with increasing regulations that govern these activities. This document is intended to provide an overview of Shoreview's utility systems and utility rates in an effort to describe what it takes to run the City's utility operations.

The revenue generated by utility bills keep the system strong and reliable, and covers maintenance and replacement efforts.

## **Water Operations**

Shoreview's water system provides drinking water to about 9,000 homes and businesses within City limits, and provides limited service (at higher billing rates) to neighboring communities through service agreements.

The City's water system includes:

- 1,325 water hydrants
- 6 wells
- 2 elevated storage tanks (water towers)
- 1 underground water reservoir
- 103 miles of water lines

In recent years watering restrictions have become necessary to reduce the peak in daily demand for water, and to more evenly spread water use over different days. This enables the City to avoid the high cost of constructing additional wells and water storage capacity.

Operating and maintaining the system so that water is always available requires managing the following activities:

- Produce and store water
- Treat water (including a future water treatment facility)
- Operate distribution pumps
- Flush water mains (semi-annually)
- Repair, replace and maintain water system infrastructure
- Read meters (quarterly) and replace meters as needed
- Sample and test water per Department of Natural Resources and Minnesota Department of Health requirements

Hydrant flushing is performed by utility maintenance crews each spring and fall to remove mineral buildup in the system and to ensure the reliability of hydrants and water valves. The systematic and controlled flushing of the system improves the overall quality of water, assists in overall system maintenance, helps remove sediments and stale water, and maintains chlorine residuals.

The City is planning for the potential addition of a water treatment plant in 2016 to address rising levels of iron and manganese in the City's wells. Even though iron and manganese are not considered harmful to health, they can cause esthetic, taste and odor problems within the water system.

# Water Rates

Minnesota law requires the City to bill all water customers on a conservation-based rate structure (tiered rates). Further, the law requires billing each residential unit the same allocation of gallons per tier at the same water rates. This means that apartments and condominiums are billed the same rates and with the same allocation of gallons per unit as single-family homes.

Residential water rates are set in 2 components: a quarterly availability charge of \$13.40 (up 40 cents from 2012), and 4 tiered rates for water used in the preceding quarter. Tiered rates for 2013 are shown at right, and are described below:

Residential Water Rates (quarterly)		
Water Tiers	Cost Per Thousand Gallons	Gallons Per Penny
Tier 1 (5,000 gal per unit)	\$ 1.08	9.3
Tier 2 (5,000 gal per unit)	\$ 1.74	5.7
Tier 3 (20,000 gal per unit)	\$ 2.41	4.1
Tier 4 (remaining water)	\$ 3.96	2.5

- The first 5 thousand gallons per unit is billed at \$1.08 per thousand gallons (about 9.3 gallons for each penny).
- The second 5 thousand gallons per unit is billed at \$1.74 per thousand gallons (about 5.7 gallons for each penny).
- The next 20 thousand gallons per unit is billed \$2.41 per thousand gallons (about 4.1 gallons for each penny).
- Remaining water is billed at the highest rate of \$3.96 per thousand gallons (about 2.5 gallons for a penny).

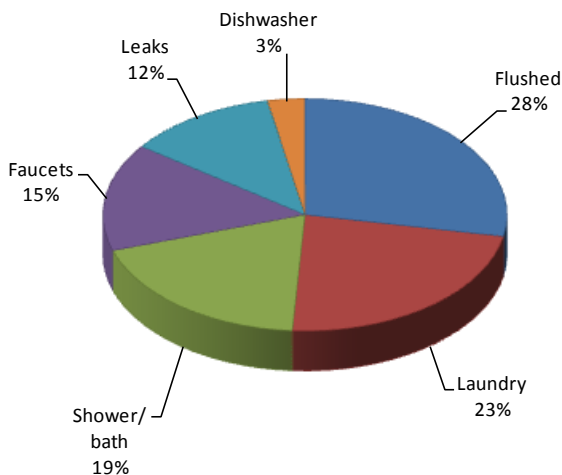
Commercial customers are billed the same tiered rates, excluding the lowest tier (which is for residential customers only).

Compared to bottled water, tap water is remarkably inexpensive. For instance, a gallon of self-serve spring water costs about 30-cents while 30-cents buys 279 gallons of Shoreview tap water at the lowest tier, and buys 75 gallons at the highest tier.

## Household Water Use

According to the American Water Works Association (AWWA), about half of household water use is for flushing and laundry.

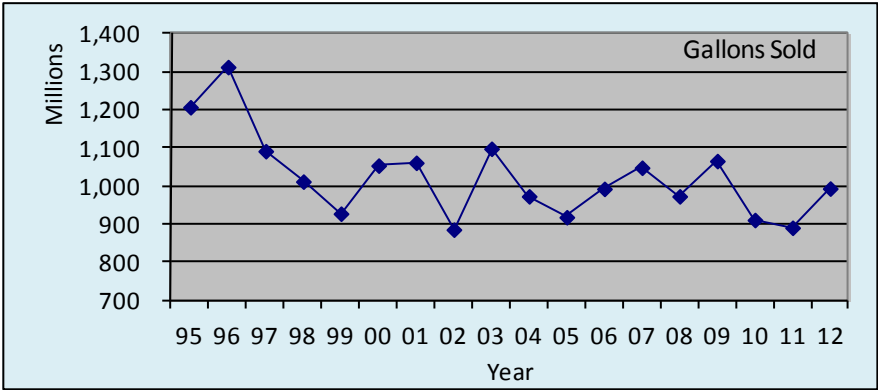
The pie chart at right illustrates average household water consumption. Some easy ways to reduce water consumption include:



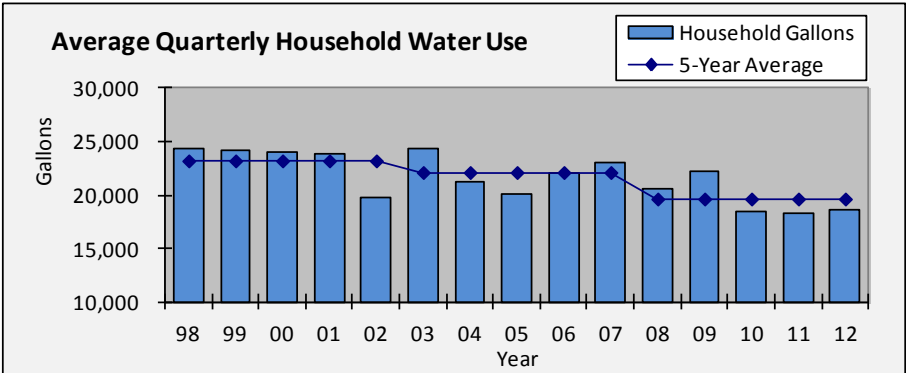
- Turn the water off while washing dishes by hand
- Run the clothes washer only when full, or get a high efficiency washing machine
- Use a water-efficient shower head (saves 750 gallons a month)
- Shorten shower time (1 to 2 minutes shorter saves 25 gallons a month)
- Upgrade older toilets with water efficient models
- Use sprinklers that deliver big drops of water close to the ground because smaller water drops and mist often evaporate before they hit the ground
- Adjust sprinklers so only the lawn is watered, and not the house, sidewalk or street
- Water the lawn and garden in the morning or evening when temperatures are cooler to minimize evaporation
- Check soil moisture to determine when to water rather than following a set watering schedule
- Set a timer when watering, as a reminder to stop, because a running hose can discharge up to 10 gallons a minute
- Adjust the lawn mower to a higher setting, allowing longer grass to shade the root system and hold soil moisture better

# Water Use Trends

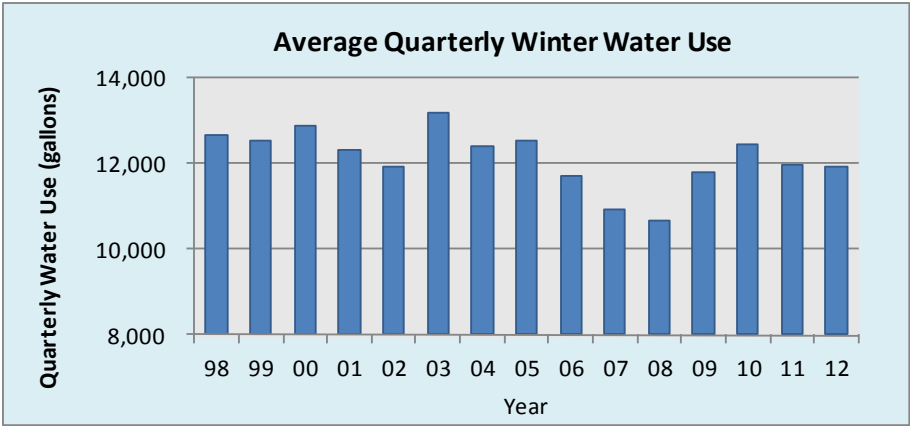
Water use fluctuates from year to year, primarily due to differences in rainfall. About 50% of the water sold is consumed during the four months of the growing season.



Other factors that reduce household water use include water conservation efforts, an aging population, new plumbing fixtures, and fewer people per household. The graph below shows average quarterly water consumption per home (estimated gallons are shown for 2012). Because this graph shows total average consumption throughout the year, both rainfall and water conservation efforts impact these results.



Examining winter water consumption is the easiest way to measure inside household water use (without the impact of summer watering). The graph below shows the decline in average quarterly winter water use over more than a decade.



The winter average in the last 5 years is about 3% lower than in the previous 5-year period. Even though water conservation protects the long-term viability of the City’s water source, it also means that water revenues decline in some years despite an increase in water rates. If the downward water trend in water use continues, existing customers need to pay more for the same level of service in order to sufficiently cover ongoing operating costs.

**Water System Assets**

It cost approximately \$24 million to build the City’s water system (using historical costs), which results in annual depreciation expense of \$630,000 for 2013. In the last 5 years the water fund has spent \$5.3 million on water system repairs, replacements, improvements to system controls and water meter replacement. Over the next 5 years the City expects to spend \$2.6 million on water system assets, plus the addition of a \$9 million water treatment facility. Other capital costs are primarily repairs and maintenance of existing assets (wells, towers and water lines).

## Water Budget

Water rates are set with the knowledge that predicting water income is far more difficult than predicting expense and capital costs. In setting rates the City expects fluctuations in water consumption from year to year, and therefore expects a net loss in some years and a net profit in others. The rate setting process is designed to make gradual changes in rates whenever possible, focusing on a long-term strategy.

The table below provides a 4-year history of water fund activity. As shown, in 3 of the last 4 years the City's water fund ended with a net loss (excluding the value of contributed assets). This means water income was not sufficient to offset operating costs.

Operating Summary	2008 Actual	2009 Actual	2010 Actual	2011 Actual
<b>Revenue</b>				
Special Assessments	\$ 1,317	\$ 1,650	\$ 1,113	\$ 1,187
Intergovernmental	-	-	557	13,366
Utility Charges	1,914,643	2,209,772	1,963,342	2,184,742
Interest Earnings	112,657	56,635	32,722	80,297
Other Revenues	4,400	14,408	44,846	210
Total Revenue	<u>2,033,017</u>	<u>2,282,465</u>	<u>2,042,580</u>	<u>2,279,802</u>
<b>Expense</b>				
Enterprise Operations	1,329,618	1,245,066	1,339,306	1,368,874
Debt Service	126,890	197,535	192,894	202,063
Depreciation	465,963	476,849	543,688	609,067
Total Expense	<u>1,922,471</u>	<u>1,919,450</u>	<u>2,075,888</u>	<u>2,180,004</u>
<b>Other Sources (Uses)</b>				
Sale of Asset-Gain (Loss)	(362)	-	-	(108,152)
Transfers Out	<u>(120,000)</u>	<u>(130,000)</u>	<u>(151,037)</u>	<u>(225,000)</u>
Net Change	<u>(9,816)</u>	<u>233,015</u>	<u>(184,345)</u>	<u>(233,354)</u>

Once lower water consumption becomes a trend rather than a temporary fluctuation, it becomes necessary to adjust rates more significantly to close the gap between income and expense.

The table below shows estimated water fund activity for the 2012-2013 biennial budget. The 2013 budget is based on the expectation that water consumption will continue at base levels, which is 9.8% lower than estimated gallons in 2012.

Operating Summary	2012 Estimate	2013 Revised Bud
<b>Revenue</b>		
Special Assessments	\$ -	\$ -
Intergovernmental	13,200	12,940
Utility Charges	2,710,800	2,591,000
Interest Earnings	40,000	35,000
Other Revenues	-	-
Total Revenue	<u>2,764,000</u>	<u>2,638,940</u>
<b>Expense</b>		
Enterprise Operations	1,444,027	1,569,417
Debt Service	184,287	171,435
Depreciation	<u>630,000</u>	<u>630,000</u>
Total Expense	<u>2,258,314</u>	<u>2,370,852</u>
<b>Other Sources (Uses)</b>		
Sale of Asset-Gain (Loss)	-	-
Transfers Out	<u>(240,000)</u>	<u>(262,500)</u>
Net Change	<u>265,686</u>	<u>5,588</u>

Over the next 5 years, significant water system costs include:

- Add water booster station in the Weston Woods area to increase water pressure
- Update SCADA system software
- Install natural gas/alternate power backup for well #6
- Add water treatment plant to address rising levels of iron and manganese in the City's water supply
- Repair and replace water lines



# **Sewer Operations**

Shoreview operates a sanitary sewer system that collects and directs waste water discharged from homes and businesses throughout the City. The City’s sewer system includes:

- 17 lift (pumping) stations
- 108 miles of sanitary sewer lines
- 2,500 manholes

Operating and maintaining the sewer system so that it functions adequately and consistently includes:

- Operating, maintaining and inspecting lift stations daily
- Treating collected sewage (performed by Metropolitan Council Environmental Services)
- Relining sewer pipes
- Replacing, repairing and maintaining sewer system infrastructure
- Inspecting manholes
- Cleaning sewer lines

## **Sewer Rates**

Sewer rates are set in 2 components: a quarterly sewer availability charge of \$37.91 per unit and 5 tiered rates for water used in the winter quarter (because winter water use provides the best measure of water entering the sewer lines). The sewer availability charge is billed regardless of whether sewer discharge occurs because the City must maintain, repair, operate and replace the sewer system.

Tiered rates for 2013 are shown in the table at right, and are described at the top of the next page.

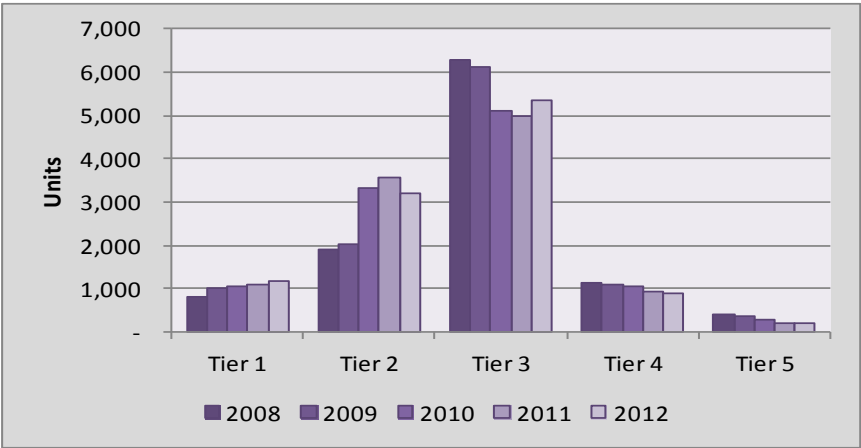
Residential Sewer Rates (quarterly)	
Sewer Tiers	Sewer Tiers
Tier 1 (up to 5,000 gal per unit)	\$ 16.02
Tier 2 (5,001-10,000 gal per unit)	\$ 27.58
Tier 3 (10,001-20,000 gal per unit)	\$ 42.29
Tier 4 (20,001-30,000 gal per unit)	\$ 57.52
Tier 5 (more than 30,000 gal per unit)	\$ 74.73

- Tier 1— homes using up to 5 thousand gallons in the winter quarter pay \$16.02 per quarter.
- Tier 2— homes using between 5 and 10 thousand gallons in the winter quarter pay \$27.58 per quarter.
- Tier 3— homes using between 10 and 20 thousand gallons in the winter quarter pay \$42.29 per quarter.
- Tier 4— homes using between 20 and 30 thousand gallons in the winter quarter pay \$57.52 per quarter.
- Tier 5— homes using more than 30 thousand gallons in the winter quarter pay \$74.73 per quarter.

Sewer rates are designed to reward low volume customers and to charge high volume customers more because they contribute more flow to the sewer system. Further, rates are designed to treat single-family homes and multi-family units equally by establishing the multi-family cost on a per unit basis.

The graph below illustrates the number of residential sewer customers billed in each of the 5 sewer tiers over the last 5 years. As shown, the majority of homes are billed at tier 3, and the fewest number of homes are billed at tier 5. The number of customers in the first 2 tiers is generally rising, while the number of customers in tiers 3 through 5 is declining.

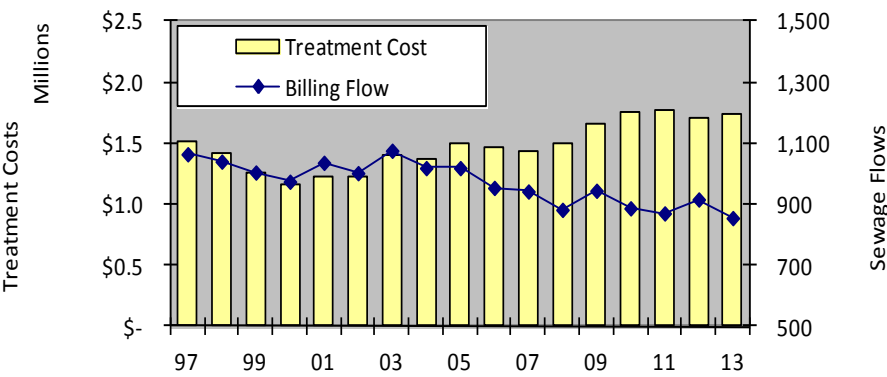
The large increase in tier 2 for 2010 is the result of shifting apartments to the residential rate structure (as required by state law).



# Sewage Treatment

Sewage is collected in City-owned sanitary sewer mains and is routed or pumped into facilities owned and operated by the Metropolitan Council Environmental Services Division (MCES). Sewage flows are monitored and metered by MCES for the purpose of determining the City’s sewage treatment costs. These costs are dependent on the amount of flow contributed to the system, and therefore water use impacts the City’s sewage treatment costs.

Unfortunately, even when sewage flow declines (as it has since 2003) sewage treatment costs don’t necessarily follow because the rate charged by the MCES continues to rise. As shown in the table below, sewage flow has generally declined in recent years, while sewage treatment costs have risen in most years. Fortunately, Shoreview’s share of treatment costs will increase only 2 percent for 2013.



Sewage flows can also be impacted by groundwater infiltration and storm water inflow, particularly during periods of heavy downpours. Cracks in sewer lines, openings in manholes, and illegal connections of roof drains and/or sump pumps to the sewer system allow water to flow directly into sewer pipes, which in turn drives up sewer flows and sewage treatment costs.

In a cost effective effort to reduce sewage flow, the City is actively working to evaluate and reline sewers where ground water infiltration occurs. The City also completed a commercial roof and residential sump pump inspection program to eliminate illegal discharges into the sewer system.

The table at right provides an 8-year summary of the City's sewage treatment costs. The sewage flow used for the 2013 bill is 10% lower than 2006 flows. Conversely, the 2013 rate per million gallons is 31% higher than in 2006. The net result is a sewage treatment bill that is \$1,737,000 (18% higher than in 2006). If sewage flows had continued to grow, the cost would have been even higher.

Year	Billing Flow (millions)	Rate Per Million Gallons	Annual Cost (millions)
2006	955	\$ 1,543	\$ 1.472
2007	943	\$ 1,527	\$ 1.438
2008	883	\$ 1,697	\$ 1.497
2009	945	\$ 1,754	\$ 1.657
2010	888	\$ 1,981	\$ 1.758
2011	871	\$ 2,026	\$ 1.764
2012	917	\$ 1,854	\$ 1.699
2013	856	\$ 2,029	\$ 1.737

Since 2007 the MCES has considered charging an inflow/infiltration surcharge for the estimated increase in sewage flows generated by ground water infiltration. So far, Shoreview has avoided this cost because of the City's efforts to reduce inflow and infiltration of ground and storm water into the system.

### **Sewer System Assets**

It cost approximately \$13 million to build the City's sanitary sewer system (using historical costs), which results in annual depreciation expense of \$310,000 for 2013. In the last 5 years the sewer fund has spent \$2.9 million on sewer system repairs, replacements, improvements to system controls and new sewer lines. Over the next 5 years the City expects to spend \$1.8 million on sewer system repairs and replacements.

## Sewer Budget

Even though establishing sewer rates and predicting sewer revenue is somewhat easier than predicting water revenue, because winter water consumption is used to determine residential sewer charges, the decline in water use also impacts sewer revenue because the gradual decline in winter water use is shifting more customers into lower sewer tiers.

The table below provides a 4-year history of sewer fund activity. In 3 of the last 4 years the City's sewer fund ended with a net loss (excluding the value of contributed assets). This means that sewer income was not sufficient to offset expense.

Operating Summary	2008 Actual	2009 Actual	2010 Actual	2011 Actual
<b>Revenue</b>				
Special Assessments	\$ 1,434	\$ 1,863	\$ 1,092	\$ 1,541
Intergovernmental	-	-	444	10,649
Charges for Services	511	180	2,365	3,680
Utility Charges	2,847,055	3,149,424	3,250,742	3,543,104
Interest Earnings	74,581	35,907	19,357	58,518
Other Revenues	-	138	-	-
Total Revenue	<u>2,923,581</u>	<u>3,187,512</u>	<u>3,274,000</u>	<u>3,617,492</u>
<b>Expense</b>				
Enterprise Operations	2,590,220	3,013,765	2,869,607	2,953,041
Debt Service	34,913	50,950	57,495	76,061
Depreciation	251,630	265,557	279,711	295,893
Total Expense	<u>2,876,763</u>	<u>3,330,272</u>	<u>3,206,813</u>	<u>3,324,995</u>
<b>Other Sources (Uses)</b>				
Sale of Asset-Gain (Loss)	(362)			
Transfers Out	(120,000)	(120,000)	(127,037)	(187,000)
Net Change	<u>(73,544)</u>	<u>(262,760)</u>	<u>(59,850)</u>	<u>105,497</u>

Rates are designed to change gradually whenever possible, focusing on a long-term strategy. However, as lower consumption becomes a trend, it may become necessary to charge higher rates for the same level of service to offset operating expenses.

The table below shows estimated sewer fund activity for the 2012-2013 biennial budget. Both years are based on the expectation that winter water consumption will continue at current levels, and estimates indicate a slight net profit in each year.

Operating Summary	2012 Estimate	2013 Revised Bud
<b>Revenue</b>		
Special Assessments	\$ -	\$ -
Intergovernmental	10,515	10,310
Charges for Services	200	200
Utility Charges	3,516,500	3,716,500
Interest Earnings	25,000	25,000
Other Revenues	-	-
Total Revenue	<u>3,552,215</u>	<u>3,752,010</u>
<b>Expense</b>		
Enterprise Operations	2,927,599	3,152,625
Debt Service	72,843	68,884
Depreciation	300,000	310,000
Total Expense	<u>3,300,442</u>	<u>3,531,509</u>
<b>Other Sources (Uses)</b>		
Sale of Asset-Gain (Loss)		
Transfers Out	(188,000)	(196,500)
Net Change	<u>63,773</u>	<u>24,001</u>

Over the next 5 years, significant sewer system costs include:

- Repair and replace sewer lines
- Repair and replace sewer lines in conjunction with the Street Renewal program
- Televising and relining sewer lines
- Rehabilitate 3 lift stations

## **Surface Water Operations**

The City of Shoreview maintains a storm water system that collects and directs storm water runoff and provides protection for surface and ground water quality. The City's surface water system includes:

- 4 storm water lift (pumping) stations
- 200 storm water ponds
- 485 storm inlets/outlets
- 35 miles of storm lines
- 50 structural pollution control devices

The purpose of the surface water management program is to preserve and use natural water storage and retention systems as much as is practical to reduce the amount of public capital expenditures necessary to:

- Control excessive volumes and runoff rates
- Improve water quality
- Prevent flooding and erosion from surface water flows
- Promote ground water recharge
- Protect and enhance fish and wildlife habitat and water recreational facilities (lakes, etc.)

The City's surface water management program seeks to prevent flooding and improve ground water quality through the best possible utilization of wetlands and artificial detention areas. Wetland management allows the City to maintain the integrity of its wetlands, improve water quality and reduce City maintenance efforts. Emphasis is placed on both sediment removal and storm water infiltration, as the primary methods of water quality improvement.

Operating the surface water system includes these activities:

- Maintain, inspect, replace and improve storm sewer systems (including storm lines)
- Maintain storm sewer lift stations (pumping stations)
- Maintain and inspect storm water ponds
- Construct new storm water ponds
- Collect debris from City streets through street sweeping
- Provide technical support to water management organizations
- Implement Surface Water Management Plan

**Surface Water Rates**

Surface water charges are set by type of property, considering the amount of impervious surface typically present (in an attempt to address varying levels of rainfall runoff). The table below shows 2013 surface water rates for all classes of property. Townhomes pay a slightly higher rate because they have more impervious surface area and therefore generate more rainfall runoff.

Surface Water Rates (quarterly)		
Property Type	Rate	Basis
Residential	\$ 19.33	per unit
Townhomes	\$ 20.47	per unit
Condo, apartment, commercial, industrial, school, church	\$ 161.63	per acre

**Surface Water System Assets**

It cost approximately \$11 million to build the City’s storm sewer system (using historical costs), which results in annual depreciation expense of \$223,000 for 2013. In the last 5 years the surface water fund has spent \$2.7 million on storm system repairs, replacements, and improvements (including pond development). Over the next 5 years the City expects to spend \$2.8 million on a combination of storm system repairs, replacement, new pond construction and storm system improvements.



## Surface Water Management Budget

The table below provides a 4-year history of surface water fund activity. As shown, the surface water fund has ended 2 of the last 4 years with a net loss (excluding the value of contributed assets). This has been largely due to higher repair and maintenance costs.

Operating Summary	2008 Actual	2009 Actual	2010 Actual	2011 Actual
<b>Revenue</b>				
Special Assessments	\$ 859	\$ 937	\$ 534	\$ 472
Intergovernmental	50,000	-	161	3,863
Utility Charges	749,109	808,176	925,620	1,007,679
Interest Earnings	37,161	17,425	11,235	20,606
Other Revenues	-	-	-	-
Total Revenue	837,129	826,538	937,550	1,032,620
<b>Expense</b>				
Enterprise Operations	545,758	565,252	656,073	669,298
Debt Service	48,344	26,179	90,408	91,277
Depreciation	159,159	169,816	192,558	214,061
Total Expense	753,261	761,247	939,039	974,636
<b>Other Sources (Uses)</b>				
Sale of Asset-Gain (Loss)	(362)			
Transfers Out		(20,000)	(40,000)	(97,000)
Net Change	83,506	45,291	(41,489)	(39,016)

The operating surplus generated in any given year is used to partially support anticipated storm sewer capital costs as mandated by the City's Surface Water Management Plan.

The table below shows estimated surface water fund activity for the 2012-2013 biennial budget. As shown, a net profit is anticipated for both years.

Operating Summary	2012 Estimate	2013 Revised Bud
<b>Revenue</b>		
Special Assessments	\$ -	\$ -
Intergovernmental	3,815	3,750
Utility Charges	1,106,430	1,212,140
Interest Earnings	12,000	8,000
Other Revenues	-	-
Total Revenue	<u>1,122,245</u>	<u>1,223,890</u>
<b>Expense</b>		
Enterprise Operations	705,969	714,426
Debt Service	85,602	75,594
Depreciation	218,000	223,000
Total Expense	<u>1,009,571</u>	<u>1,013,020</u>
<b>Other Sources (Uses)</b>		
Sale of Asset-Gain (Loss)		
Transfers Out	(107,000)	(126,900)
Net Change	<u>5,674</u>	<u>83,970</u>

Over the next 5 years, significant surface water system costs include:

- Repair and replace storm systems
- Improve and expand the storm system as part of street projects
- Sediment removal from ponds and other infrastructure
- Construct 3 pretreatment structures (East and Northwest shores of Shoreview Lake, and at Lake Martha)
- Update storm sewer lift station controls

**Street Lighting Operations**

The City of Shoreview operates a street lighting system throughout the community in support of safe vehicle, bicycle and pedestrian traffic. The City’s street light system includes lighting owned by the City or leased from Xcel Energy.

- 716 city-owned street lights
- Leased street lights

Operation and maintenance of the City’s street light system includes:

- Periodic rewiring of existing lights
- Energy costs associated with operation of the lighting system
- Installation of new street lights
- Repair and replacement of existing poles and/or light fixtures

**Street Lighting Rates**

Street lighting user charges are based upon property type. The table below shows 2013 street lighting rates for all classes of property. Apartments and mobile homes pay a lower fee than homes because there are significantly more homes per acre in those developments. All properties in Shoreview, regardless of locations or types of street light fixtures, pay street light charges. All properties receive benefit from the street light system through illumination of streets, which in turn enhances safety for drivers and pedestrians.

Street Lighting Rates (quarterly)		
Property Type	Rate	Basis
Residential, townhome	\$ 9.47	per unit
Apartment, condo, mobile home	\$ 7.10	per unit
Comm, industrial, school,church	\$ 28.42	per acre

## Street Lighting Assets

It cost approximately \$1.5 million to build the City-owned portion of the City's street lighting system (excluding lights owned by Xcel Energy), which results in \$48,000 of depreciation expense for 2013. Since the creation of the street lighting fund, the City has spent \$455,000 on lighting repairs and replacements. Over the next 5 years the City expects to spend about \$835,000 on street lighting repairs and replacements due to the age of many of the lights in the system.

## Street Lighting Budget

The table below provides a history of street lighting fund activity for the last 4 years. As shown, the fund ended with a net gain in each year. An operating gain is necessary because the fund lacks sufficient cash balances to absorb the annual impact of street lighting replacement costs. These costs create an immediate drain on street light fund cash while impacting depreciation expense over the useful life of the assets (per governmental accounting rules).

Operating Summary	2008 Actual	2009 Actual	2010 Actual	2011 Actual
<b>Revenue</b>				
Special Assessments	\$ 86	\$ 144	\$ 92	\$ 142
Utility Charges	302,600	333,903	348,220	365,333
Interest Earnings	3,982	2,445	2,221	4,337
Other Revenues	1,011	-	466	-
Total Revenue	307,679	336,492	350,999	369,812
<b>Expense</b>				
Enterprise Operations	218,276	217,103	245,207	281,610
Depreciation	38,825	38,353	37,911	36,865
Total Expense	257,101	255,456	283,118	318,475
<b>Other Sources (Uses)</b>				
Sale of Asset-Gain (Loss)	-	-	(26)	-
Transfers Out	-	(3,000)	(6,000)	(12,600)
Net Change	50,578	78,036	61,855	38,737

The table below shows estimated street lighting fund activity for the 2012-2013 biennial budget. The planned operating surplus is intended to partially offset street light replacements of \$150,000 in 2012, and \$150,000 in 2013.

Operating Summary	2012 Estimate	2013 Revised Bud
<b>Revenue</b>		
Special Assessments	\$ -	\$ -
Utility Charges	456,000	474,000
Interest Earnings	2,500	2,700
Other Revenues	500	500
Total Revenue	459,000	477,200
<b>Expense</b>		
Enterprise Operations	257,575	268,571
Depreciation	40,000	48,000
Total Expense	297,575	316,571
<b>Other Sources (Uses)</b>		
Sale of Asset-Gain (Loss)	-	-
Transfers Out	(15,600)	(19,000)
Net Change	145,825	141,629

In the next 5 years, energy and street light repair and replacement costs will be the primary driving force when establishing street lighting charges.

- Energy costs account for 64% of operating expense in 2012 and 2013 (the largest expense for the fund)
- Repair costs are expected to rise in the future as street lights continue to age
- Plans to replace 118 street lights over the next 5 years (as part of street renewal projects and individual replacements) will result in capital costs of \$835,000

## **What Does This Mean for My Utility Bill?**

The impact of the 2013 water and sewer rates on any individual customer depends on the amount of water consumed because rates are based on the philosophy that customers putting greater demands on the system should pay more than customers with lesser demand. The table below provides a breakdown of residential customers in 6

usage levels. As shown, 42% of residential customers fall into the “average” category (using an average of 17,500 gallons of water per quarter, and using about 12,000 gallons per quarter in the winter months).

	Water	Sewer	Percent of
Use Level	Gallons	Gallons	Residential Customers
Very low	5,000	4,000	10%
Low	10,000	10,000	22%
Average	17,500	12,000	42%
Above average	25,000	22,000	19%
High	55,000	26,000	5%
Very high	80,000	34,000	2%

The table at right illustrates the change in utility bills for 2013 in each of the usage levels, assuming that the same amount of water is used in each year.

Use Level	Total Quarterly Utility Bill		Quarterly Change
	2012	2013	\$
Very low	\$ 97.34	\$ 103.12	\$ 5.78
Low	\$ 116.70	\$ 123.38	\$ 6.68
Average	\$ 148.13	\$ 156.17	\$ 8.04
Above avg	\$ 180.04	\$ 189.47	\$ 9.43
High	\$ 287.74	\$ 300.52	\$ 12.78
Very high	\$ 399.98	\$ 416.73	\$ 16.75

It should be noted that the cost estimates shown above include a water connection fee of \$1.59 per quarter, mandated by and paid to the State of Minnesota.

## **Available Payment Methods**

The City of Shoreview provides a variety of payment methods for utility bills, including:

- City hall front desk during office hours (8 a.m. to 4:30 p.m.)
- Drop box near the city hall entrance
- Drop box at Rainbow Foods (corner of Highway 49 & 96)
- By mail
- Credit card, by calling utility billing (VISA/MasterCard)
- Direct debit (from your bank account)
- On line via the City's website (look for "Online Payments")

## **Contact Information**

Utility billing questions information

- Phone - (651) 490-4630
- Email - [utilities@shoreviewmn.gov](mailto:utilities@shoreviewmn.gov)

Utility maintenance questions

- Phone - (651) 490-4657 (public works admin coordinator)
- Phone - (651) 490-4661 (utilities supervisor)
- Email - [dcurley@shoreviewmn.gov](mailto:dcurley@shoreviewmn.gov)

Water and sewer emergencies

- Mon-Fri, 7:00 a.m.-3:30 p.m. (651) 490-4661
- Evenings, weekends and holidays, call the Ramsey County Sheriff (651) 484-3366. The Sheriff's office will contact the utility maintenance person on call.

We hope this information has been helpful  
in explaining the City's utility systems.

Shoreview Utility Department  
4600 Victoria Street North  
Shoreview, MN 55126  
[www.shoreviewmn.gov](http://www.shoreviewmn.gov)



# City of Shoreview Budget Hearing Presentation

## 2013 Budget and Tax Levy

### Handout Page #

## Presentation Notes/Format

- Handout
  - 2013 Budget Summary (booklet)
  - Not all material covered in presentation
  - Page numbers in presentation refer to booklet pages
- Other informational booklets currently on website
  - Utility Operations
  - Community Benchmarks
- Original Biennial Budget, CIP and Five-year Operating Plan available on website and at library
- 2013 budget amendments posted in early January



## Budget Objectives

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- Balance General fund budget
- Maintain existing services and programs
- Fund infrastructure replacement
- Continue 5-year financial planning
- Meet debt obligations
- Maintain AAA bond rating
- Protect parks, lakes & open space
- Amend second year of biennial budget
- Amend CIP

## Budget Objectives

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- Position the City to address future challenges and opportunities
  - Maintain and revitalize neighborhoods
  - Encourage business expansion and reinvestment
  - Assist redevelopment opportunities
  - Utilize technology to improve services and communications

## Proposed Tax Levy and Estimated Tax Rate

	2012 Adopted Levy	2013 Original Levy	2013 Proposed Levy	Change	
				Amount	Percent
General Fund	\$ 6,467,060	\$ 6,717,037	\$ 6,639,567	\$ 172,507	2.67%
EDA and HRA Funds	125,000	135,000	135,000	10,000	8.00%
Debt (all funds combined)	658,026	685,000	685,000	26,974	4.10%
Replacement Funds	2,000,000	2,100,000	2,100,000	100,000	5.00%
Capital Improvement Funds	110,000	120,000	120,000	10,000	9.09%
Total Tax Levy	<u>\$ 9,360,086</u>	<u>\$ 9,757,037</u>	<u>\$ 9,679,567</u>	<u>\$ 319,481</u>	<u>3.41%</u>
Taxable Value (millions)	\$ 25.418	\$ 23.726	\$ 23.726	\$ (1.691)	-6.65%
Tax Rate-City	33.252%	37.246%	36.953%	3.701%	11.13%
Tax Rate-HRA	0.254%	0.289%	0.289%	0.035%	13.78%
Fiscal Disparities Contribution	\$ 838,214	\$ 845,000	\$ 845,000	\$ 6,786	0.81%

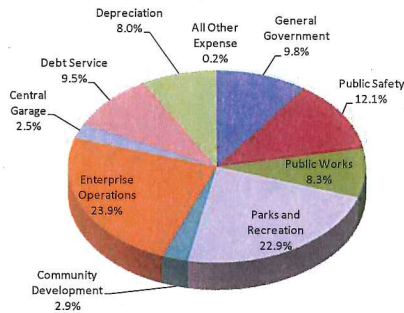
Proposed levy is \$77,470 lower than adopted biennial budget.  
Levy change over the biennial budget is 1.46% annually.

## Items Impacting the Tax Levy (Operating)

• Public safety costs	\$ 161,181
• Capital replacement funds	100,000
• Debt payments	26,974
• EDA and HRA levy	10,000
• Capital improvements	10,000
• All other changes combined	<u>11,326</u>
Total Levy Changes	\$ 319,481

## Total Operating Expense

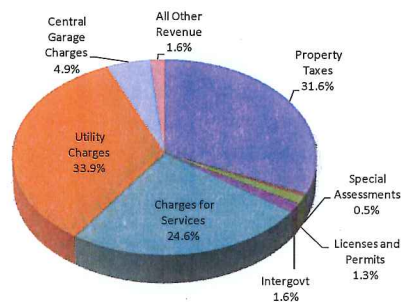
	2012 Budget	2013 Revised Budget
<b>Expense</b>		
General Govern	\$ 2,307,905	\$ 2,345,660
Public Safety	2,721,227	2,882,693
Public Works	1,889,483	1,979,986
Parks and Recr.	5,294,174	5,470,139
Community Devel.	637,832	680,735
Enterprise Oper.	5,409,730	5,705,039
Central Garage	576,564	593,566
Miscellaneous	48,000	40,000
Debt Service	2,333,436	2,277,782
Depreciation	1,861,000	1,907,000
<b>Total Expense</b>	<b>\$ 23,079,351</b>	<b>\$ 23,882,600</b>



Excluding capital funds and transfers between funds.

## Total Operating Revenue

	2012 Budget	2013 Revised Budget
<b>Revenue</b>		
Property Taxes	\$ 7,250,086	\$ 7,459,567
Special Assessments	115,865	107,971
Licenses and Permits	292,750	314,050
Intergovernmental	400,247	366,152
Charges for Services	5,473,175	5,809,731
Fines and Forfeits	62,000	62,500
Utility Charges	7,540,762	7,993,640
Central Garage Chgs	1,137,680	1,153,020
Interest Earnings	208,550	163,350
Other Revenues	81,860	80,740
<b>Total Revenue</b>	<b>\$ 22,562,975</b>	<b>\$ 23,510,721</b>



Excluding capital funds and transfers between funds.

## Budget Reduction/ Efficiency Strategies

- Contract for police and fire protection
- Continue use of correctional crew
- Continued department director vacancy
- Maintain no contingency allowance
- Long-term preventative maintenance
- Delay some street renewal projects
- Staff wage adjustment of 2%
- Maintain high-deductible health insurance plan

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## Impact on Homes Market Value Changes

Shoreview Residential Property		
Value Change	Number of Homes	Percent of Total
Increase more than 5%	51	0.5%
Increase up to 5%	979	10.4%
No change	1,095	11.7%
Decrease .1% to 5%	2,033	21.7%
Decrease 5.1% to 10%	1,947	20.7%
Decrease 10.1% to 15%	1,834	19.5%
Decrease more than 15%	1,448	15.4%
Total Homes	9,387	100.0%

Ramsey County Assessor Stephen Baker  
is in the audience for this hearing.



## Impact on Homes City Tax Change (Median Home Value)

### Shoreview share of tax bill only

Market Value			City Portion of Property Tax		Change in City Property Tax	
After MVE		Value Change				
2012	2013		2012	2013	Dollars	Percent
\$ 241,300	\$ 205,000	-15.0%	\$ 802.37	\$ 757.54	\$ (44.83)	-5.6%
\$ 234,200	\$ 205,000	-12.5%	\$ 778.76	\$ 757.54	\$ (21.22)	-2.7%
\$ 227,800	\$ 205,000	-10.0%	\$ 757.48	\$ 757.54	\$ 0.06	0.0%
\$ 219,700	\$ 205,000	-6.7%	\$ 730.55	\$ 757.54	\$ 26.99	3.7%
\$ 212,470	\$ 205,000	-3.5%	\$ 706.61	\$ 757.54	\$ 50.93	7.2%
\$ 205,000	\$ 205,000	0.0%	\$ 681.67	\$ 757.54	\$ 75.87	11.1%
\$ 199,950	\$ 205,000	2.5%	\$ 665.04	\$ 757.54	\$ 92.50	13.9%

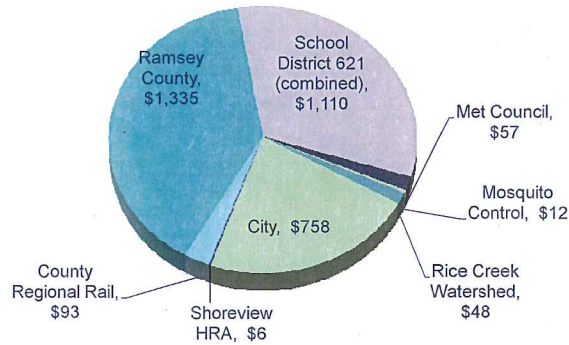
## Impact on Homes Total Tax Change (Various Home Values)

### Total tax bill (all jurisdictions)

Market Value				Total Property Tax		Change in Total Property Tax	
2013		Value Change					
Before HMVE	After HMVE	Before HMVE	After HMVE	2012	2013	Dollars	Percent
\$150,000	\$126,300	-5.7%	-7.3%	\$ 2,160.61	\$ 2,135.77	\$ (24.84)	-1.1%
\$200,000	\$180,800	-5.7%	-6.8%	\$ 3,045.36	\$ 3,023.76	\$ (21.60)	-0.7%
\$222,200	\$205,000	-5.7%	-6.7%	\$ 3,440.74	\$ 3,418.06	\$ (22.68)	-0.7%
\$300,000	\$289,800	-5.7%	-6.4%	\$ 4,817.49	\$ 4,799.74	\$ (17.75)	-0.4%
\$500,000	\$500,000	-5.7%	-5.7%	\$ 8,323.20	\$ 8,240.96	\$ (82.24)	-1.0%
\$700,000	\$700,000	-5.7%	-5.7%	\$12,321.35	\$12,247.31	\$ (74.04)	-0.6%
\$900,000	\$900,000	-5.7%	-5.7%	\$16,319.52	\$16,253.63	\$ (65.89)	-0.4%

Assumes Mounds View schools, Rice Creek  
Watershed, and 5.7% value decrease

## Distribution of 2013 Estimated Total Property Tax Bill = \$3,418



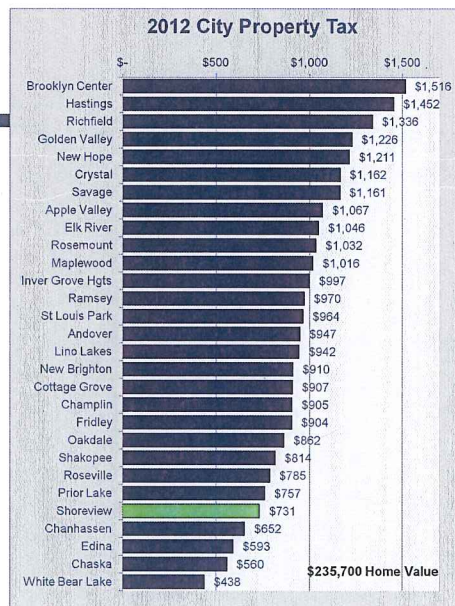
Shoreview is 22% of total

## Property Tax Comparison

2012 City Tax on  
\$235,700  
Home

Shoreview is 24%  
below average of \$961

(Shoreview and 28 other Metro-  
area comparison Cities)

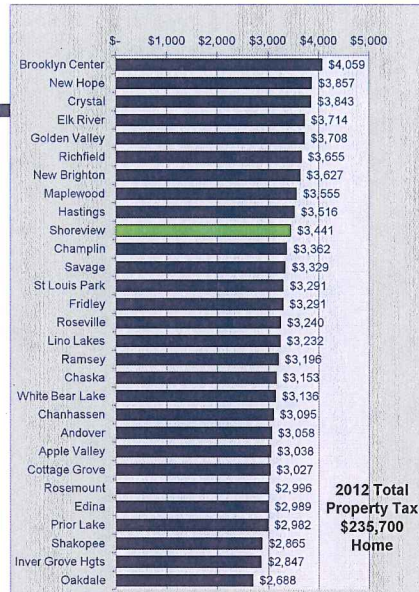


## Property Tax Comparison

2012 Total Tax on  
\$235,700 Home

Total tax is 4.2% above  
average of \$3,303

(Shoreview and 28 other Metro-  
area comparison Cities)



## Additional City Handouts

- Community Benchmarks
- Utility Operations and 2013 Utility Rates
- 2012 Shoreview Property Tax (dollar illus)
- Ramsey-Washington Metro Watershed District

## Ramsey County Handouts

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- State property tax refunds/deferrals
- Process to appeal estimated market value
- How can my property value go down and my taxes go up?

[Note: Please refer to the reverse side of estimated tax statement for some of the above information]

## Future Council Action December 17, 2012

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- Amend
  - 2013 Budget
  - 2013 to 2017 Capital Improvement Program
- Adopt
  - 2013 Tax levy
  - 2013 Utility rates



# 2012 Shoreview Property Tax Dollar

## For every property tax dollar you pay:

On average, 79 cents of each dollar goes to your county, school district, and other taxing jurisdictions, and

21 cents goes to Shoreview



Shoreview's 21-cent share is allocated as follows in 2012:

- 6 cents Public Safety
- 5 cents Capital
- 4 cents Parks/Recreation
- 2 cents General Govt
- 2 cents Debt Service
- 1.5 cents Public Works
- .5 cent Community Development

**Public Safety** – Police, fire, animal control and emergency services

**Capital** – Replacement costs for all general assets: streets, buildings, equipment, fire trucks, trails, park facilities, mechanical systems, computer systems, warning sirens and a small allowance for improvements

**Parks/Recreation** – Park and recreation administration and park maintenance

**General Government** – Administration, City Council, newsletter, human resources, elections, accounting, information systems and legal

**Debt Service** – Payment of bonds issued for past projects

**Public Works** – Engineering, street maintenance, trail management and forestry

**Community Development** – Planning, code enforcement, building inspection and economic development



**Capital costs** make up the second highest share of the City's property tax because of Shoreview's approach to financing infrastructure replacement (such as streets). Many cities utilize special assessments to recover all or a significant portion of the cost of street and utility replacements. In Shoreview, considerable effort is put into planning for infrastructure replacement. The City identifies the resources (taxes and utility fees) that are necessary to support upcoming capital replacement costs well in advance, so that resources are available when needed.

Although one might think that this practice would result in higher taxes for Shoreview, it has actually helped the City keep a stable and competitive tax rate. When comparing the City portion of the property tax bill to 28 other metro-area cities similar to Shoreview in size, Shoreview ranks 5<sup>th</sup> lowest.

More information about benchmark comparisons is available in the *Community Benchmarks* booklet titled *How Does Shoreview Compare?* (available at city hall or on the City's website)

## **Shoreview Budget and Property Tax Levy**

The Shoreview City Council will hold a public hearing on its budget and on the amount of property taxes it is proposing to collect to pay for the cost of services the city will provide in 2013. Budget and tax levy information is available on the City's website, at city hall, or by request.

All Shoreview City residents are invited to attend the Council's public hearing to express their opinions on the budget and proposed amount of 2013 property taxes.

The hearing will be held on:

**Monday, December 3, at 7:00 p.m.  
Shoreview City Hall Council Chambers  
4600 Victoria Street North, Shoreview, MN 55126  
651-490-4600**

Written comments may also be submitted to: City of Shoreview, Finance Director's Office, 4600 Victoria Street North, Shoreview, MN 55126

## **Ramsey-Washington Metro Watershed District**

[“Other special taxing districts” line on estimated tax statement]

### **What happened?**

Earlier this year, the Grass Lake Water Management Organization (GLWMO) merged into the Ramsey-Washington Metro Watershed District. The former GLWMO was organized as a joint powers agreement between the cities of Roseville and Shoreview, and was funded through city contributions to the GLWMO budget. In Shoreview, the GLWMO contribution came from the City’s Surface Water Fund and not from a Special Taxing District. Beginning in 2013, funding for water management within the former GLWMO area is provided through the Watershed district levy (other taxing district).

The former GLWMO was minimally funded to accomplish planning, but was not funded to implement projects and programs. The new draft GLWMO plan identified the need to implement significant projects, which would have caused a dramatic increase in City contributions to the WMO; and the Cities would no longer have control over the WMO budget.

Both cities agreed that a more comprehensive water management program should be managed by an experienced organization with proven ability to manage programs and projects. Since the Ramsey-Washington Metro Watershed District is immediately adjacent to GLWMO, and since the cities have experience working with RWMWD, staff from both cities recommended to the City Councils that the WMO merge with RWMWD and have future programs and projects managed and funded by the District.

The RWMWD levy has averaged approximately 2% of total tax property tax. This levy provides approximately \$4 million in funds to support the RWMWD staff, administrative costs, programs and capital improvement projects.

More information on District activities can be found on the RWMWD web site [www.rwmwd.org](http://www.rwmwd.org).

### **Why were we not notified?**

The District prepares a draft budget in August of each year and schedules and advertises a public hearing for early September of each year. The public notice is published in local newspapers and information is on the District web site and available on request. No special effort was made to notify individual property owners in the GLWMO.

Watershed Management Organizations are required in the Twin Cities Metro Area. These organizations can be either Joint Powers Organizations or Watershed Districts. Both organizations are required to prepare Watershed Management Plans and implement improvements and programs to address problems identified in the plans. Also, several additional programs are mandated by the state or federal government that must be implemented by cities or water management organizations (wetland management, impaired waters, non-degradation, and MS4). The RWMWD works with our member cities to assist and collaborate on these programs to improve implementation and reduce costs.

**What benefits do I get from the change/taxes?**

The increased tax levy buys a proven implementation program and experienced staff to effectively and efficiently identify water management issues and problems and define and implement programs and projects to solve flooding issues, preserve and enhance wetlands, and maintain or improve water quality. Without the merger, the GLWMO would have had to develop another funding method to raise additional budget funds.

**What are the budget hearing requirements?**

There is no requirement for a Truth in Taxation Hearing for a Watershed District proposed budget and levy, but we are required to publish a legal notice and hold a public hearing on our proposed budget and levy. Public hearing notices are published on our legal newspapers and on our web site.

# State Property Tax Refund

## Homeowner's Property Tax Refund

Minnesota has two property tax refund programs for homeowners:

- The regular Property Tax Refund is based on your household income and the property taxes paid on your principal place of residence.
- The special Property Tax Refund is based on the increase of your property tax over the previous year.

You may qualify for either or both of these refunds, depending on your income and the size of your property tax bill.

## Regular Property Tax Refund

The regular refund is for people who owned and lived in their home on Jan. 2, 2013. The home must be classified as your homestead.

## Special Property Tax Refund

To qualify for the special refund, all of the following must be true:

- You have owned and lived in the same home on both Jan. 2, 2012, and Jan. 2, 2013.
- The net property tax on your homestead increased by more than 12 percent from 2012 to 2013.
- The increase was at least \$100 and wasn't due to improvements you made to the property.

There is no limit on household income for the special refund. You may qualify even if you don't qualify for the regular refund. The maximum special refund is \$1,000.

## Renter's Property Tax Refund

There is a property tax refund program for renters, too.

## How to Apply

To apply, download and complete Form M1PR, Minnesota Property Tax Refund. If needed, you can find the forms at many libraries after Jan. 1, or ask to have the forms mailed to you by calling 651-296-4444 or 1-800-657-367.

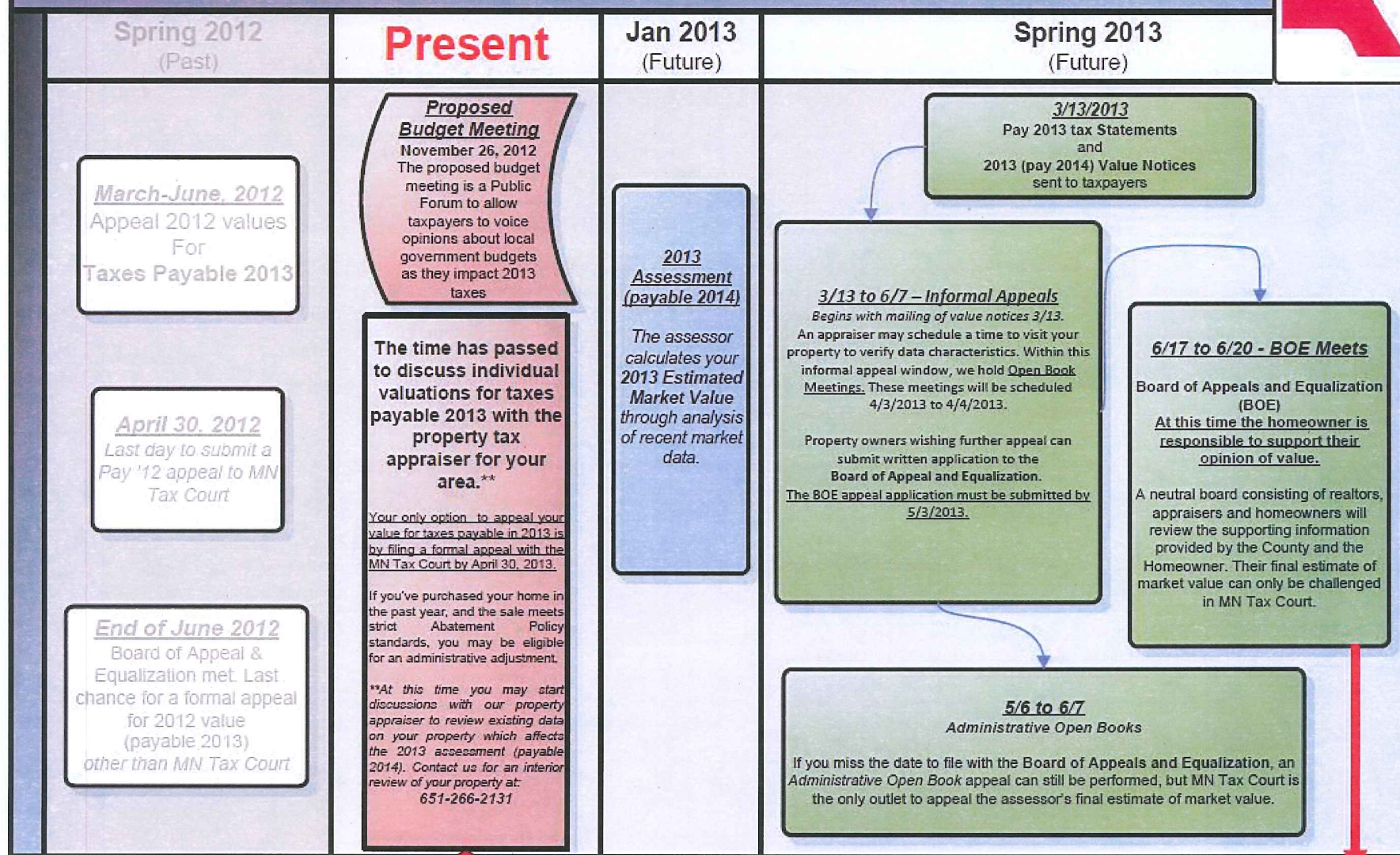
You can submit Form M1PR by mail or, for a small fee, file it online.

**Need more information or to request a copy of the form**

**Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us)**



# Process to Appeal your Estimated Market Value in Ramsey County



Property Records and Revenue 2012 Version 1.0



**AFTER THE BOE CLOSES ON JUNE 20, 2013  
THE ONLY OPTION TO APPEAL IS MN TAX COURT**  
(Deadline for filing is April 30, 2014)

# **How Can My Property Value Go Down And My 2013 Property Tax Go Up?**

- Over 86% of residential properties had a decrease in estimated market value as determined by the County Assessor. The estimated market value of 45% of commercial/industrial and 23% of apartment properties also decreased.
- Market value increases do not generate additional revenue for local governments – only increases in tax levies and local assessments provide more money. Conversely, market value decreases do not reduce revenue for local governments.
- Based on taxes shown on the proposed tax notices: 76.9% of Ramsey County homeowners are projected to have tax decreases, 19.3% have increases between 0% and 10%, and 3.8% have increases greater than 10%. Most commercial and industrial properties have increases between 0% and 10%. 75% of apartment properties will have property tax increases greater than 10%.
- If your property's value is going down and property taxes are going up, it is likely due to a combination of the following two factors:
  - Taxes are shifting to your property from properties that have greater reductions in value. Correspondingly, taxes from your property are shifting to properties that have lesser reductions in value, values that stayed the same or increases in value.
  - Tax levies for the county, city, school district and/or special taxing districts are increasing.
- Some of the larger tax increases this year are occurring on properties that have the same value for 2012 and 2013.

Note: The following pages contain excerpts from recent staff memos relating to the 2013 budget, tax levy, and property taxes. The information is intended to serve as additional support for the budget hearing.



## Preliminary Property Tax Levy

The table below provides a comparison of the 2012 adopted levy, the 2013 levy as originally planned in the biennial budget, and as revised by the City Manager's recommendation. When reviewing the areas impacting the total levy (as shown in the column at the far right-hand side of the table), it is interesting to note that the portion of the levy supporting City services causes a 1.86% increase in the tax levy. The remaining 1.53% increase in the levy is the result of debt, capital replacement funds, capital improvement funds, the EDA and HRA. The modest increase in the General Fund share of the levy is due primarily to the increase in police and fire contract costs (\$161,181 cost increase for the two contracts combined).

Description	2012 Adopted Levy	2013 Original Two-Year Budget	2013 Preliminary Levy	Change Over 2012 Adopted Levy		Impact on Total Levy *
				Dollars	Percent	
General fund	\$ 6,467,060	\$ 6,717,037	\$ 6,639,567	\$ 172,507	2.67%	1.86%
EDA	55,000	60,000	60,000	5,000	9.09%	0.05%
Debt (including Cent Garage)	658,026	685,000	685,000	26,974	4.10%	0.29%
Street Renewal fund	800,000	850,000	850,000	50,000	6.25%	0.54%
General Fixed Asset Repl fund	1,200,000	1,250,000	1,250,000	50,000	4.17%	0.54%
Capital Improvement fund	110,000	120,000	120,000	10,000	9.09%	0.11%
<b>Total City Levy</b>	<b>\$ 9,290,086</b>	<b>\$ 9,682,037</b>	<b>\$ 9,604,567</b>	<b>\$ 314,481</b>	<b>3.39%</b>	<b>3.39%</b>
HRA tax levy	\$ 70,000	\$ 75,000	\$ 75,000	\$ 5,000	7.14%	
Taxable value (estim for 2013)	\$25,417,572	\$23,726,394	\$23,726,394	\$(1,691,178)	-6.65%	
City tax rate (estim for 2013)	33.252%	37.246%	36.953%	3.701%	11.13%	
HRA tax rate (estim for 2013)	0.254%	0.289%	0.289%	0.035%	13.78%	
Fiscal disparity (estim for 2013)	\$ 838,214	\$ 845,000	\$ 845,000	\$ 6,786	0.81%	
Net tax paid by property owners	\$ 8,451,872	\$ 8,837,037	\$ 8,759,567	\$ 307,695	3.64%	
<b>Change in Tax Paid by Prop Owners</b>	<b>-0.32%</b>	<b>4.56%</b>	<b>3.64%</b>			

It should be noted that the proposed 2013 preliminary tax levy as shown in the table above is \$77,470 lower than adopted as part of the biennial budget for 2013. The proposed City and HRA levies combined equate to a two-year levy increase of 2.9% for the biennial budget (which is 1.46% annually).

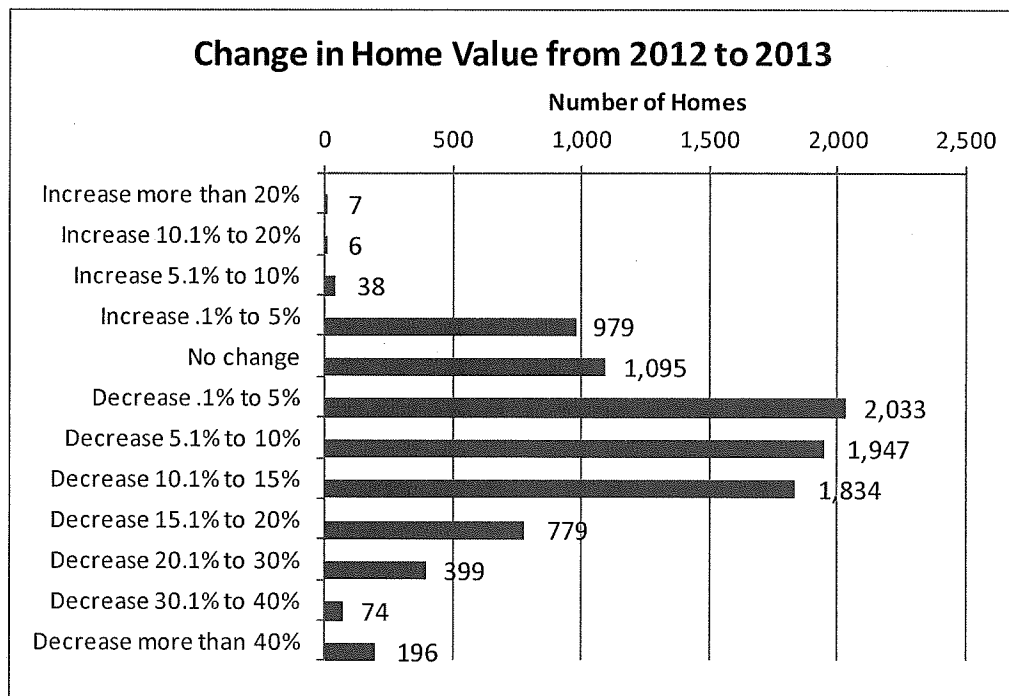
## Residential Property Values

According to information provided by the Ramsey County Assessor, the median home value in Shoreview will decrease from \$235,700 for 2012 taxes, to \$222,200 for 2013 taxes (a 5.7% drop in value). The table at right shows the change in Shoreview's median single family home value since 2004.

Year	Median Home Value	Percent Change
2004	\$ 207,500	13.6%
2005	\$ 236,250	13.9%
2006	\$ 265,050	12.2%
2007	\$ 279,900	5.6%
2008	\$ 286,600	2.4%
2009	\$ 275,600	-3.8%
2010	\$ 262,200	-4.9%
2011	\$ 249,350	-4.9%
2012	\$ 235,700	-5.5%
2013	\$ 222,200	-5.7%

Change in home values (all residential)			
	Number of Parcels	Percent Change	Number of Parcels
Increase more than 20%	7	0.1%	
Increase 10.1% to 20%	6	0.1%	
Increase 5.1% to 10%	38	0.4%	
Increase .1% to 5%	979	10.4%	1,030
No change	1,095	11.7%	1,095
Decrease .1% to 5%	2,033	21.7%	
Decrease 5.1% to 10%	1,947	20.7%	
Decrease 10.1% to 15%	1,834	19.5%	
Decrease 15.1% to 20%	779	8.3%	
Decrease 20.1% to 30%	399	4.3%	
Decrease 30.1% to 40%	74	0.8%	
Decrease more than 40%	196	2.1%	7,262
Total Residential Parcels	9,387	100.0%	9,387

For 2013, about 77% of home values are decreasing. As shown in the table at left and the graph below, 7,262 homes experience a decrease in value, 1,095 home values remain the same, and 1,030 home values increase.



## Impact on Residential Property Taxes

The table below provides estimated changes in the City and HRA share of the property tax bill (using the assumptions on page 1 of this report) for a median value home. A description of the change in tax for each median home value assumption follows the table.

Market Value Before MVE		Market Value After MVE			City Portion of Property Tax		Change in City Property Tax		HRA Portion of Property Tax		Change in HRA Property Tax	
2012	2013	2012	2013	Value Change	2012	2013	Dollars	Percent	2012	2013	Dollars	Percent
\$ 255,500	\$ 222,200	\$ 241,300	\$ 205,000	-15.0%	\$ 802.37	\$ 757.54	\$ (44.83)	-5.6%	\$ 6.13	\$ 5.93	\$ (0.20)	-3.3%
\$ 249,000	\$ 222,200	\$ 234,200	\$ 205,000	-12.5%	\$ 778.76	\$ 757.54	\$ (21.22)	-2.7%	\$ 5.95	\$ 5.93	\$ (0.02)	-0.3%
\$ 243,200	\$ 222,200	\$ 227,800	\$ 205,000	-10.0%	\$ 757.48	\$ 757.54	\$ 0.06	0.0%	\$ 5.79	\$ 5.93	\$ 0.14	2.4%
\$ 235,700	\$ 222,200	\$ 219,700	\$ 205,000	-6.7%	\$ 730.55	\$ 757.54	\$ 26.99	3.7%	\$ 5.58	\$ 5.93	\$ 0.35	6.3%
\$ 229,070	\$ 222,200	\$ 212,470	\$ 205,000	-3.5%	\$ 706.61	\$ 757.54	\$ 50.93	7.2%	\$ 5.40	\$ 5.93	\$ 0.53	9.8%
\$ 222,200	\$ 222,200	\$ 205,000	\$ 205,000	0.0%	\$ 681.67	\$ 757.54	\$ 75.87	11.1%	\$ 5.21	\$ 5.93	\$ 0.72	13.8%
\$ 217,650	\$ 222,200	\$ 199,950	\$ 205,000	2.5%	\$ 665.04	\$ 757.54	\$ 92.50	13.9%	\$ 5.08	\$ 5.93	\$ 0.85	16.7%

- A 15% drop in value results in a \$44.83 City tax decrease and a 20 cent HRA tax decrease
- A 12.5% drop in value results in a \$21.22 City tax decrease and a 2 cent HRA tax decrease
- A 10% drop in value results City taxes remaining about the same and a 14 cent HRA tax increase
- A 6.7% drop in value results in a \$26.99 City tax increase and a 35 cent HRA tax increase
- A 3.5% drop in value results in a \$50.93 City tax increase and a 53 cent HRA tax increase
- No change in value results in a \$75.87 City tax increase and a 72 cent HRA tax increase
- A 2.5% increase in value results in a \$92.50 City tax increase and an 5 cent HRA tax increase

The estimated change in property tax for a median valued home (using preliminary tax rates for each taxing jurisdiction) is shown in the table at right. Under these assumptions, taxes for the median valued home decrease overall. Shoreview will collect about \$27 more in City tax, while other jurisdictions will decrease.

Mounds View Schools	Payable 2012	Payable 2013	Dollar Change	Percent Change		
Home value	235,700	222,200	(13,500)	-5.7%	Percent of Total 2012	Percent of Total 2013
HMVE home value	219,700	205,000	(14,700)	-6.7%		
Taxable value	2,197	2,050	(147)	-6.7%		
Property tax						
City	\$ 730.55	\$ 757.54	\$ 26.99	3.7%	21.23%	22.16%
HRA	5.58	5.93	0.35	6.3%	0.16%	0.17%
County	1,442.24	1,428.13	(14.11)	-1.0%	41.92%	41.78%
School district	1,138.77	1,110.32	(28.45)	-2.5%	33.10%	32.48%
All other jurisdictions	123.60	116.14	(7.46)	-6.0%	3.59%	3.40%
	\$3,440.74	\$ 3,418.06	\$ (22.68)	-0.7%	100.00%	100.00%

The 3 tables on the next page provide the estimated change in the City portion of the tax bill as well as the total tax bill under 3 different sets of value assumptions, for home values ranging from \$100,000 to \$900,000.



The first table assumes that property value drops 5.7%. Under this assumption the City portion of the tax bill increases between \$4.96 and \$143.99 (depending on the home value), and the total tax bill decreases from \$25.20 to \$65.89.

Market Value						City Portion of Property Tax		Change in City Property Tax		Total Property Tax		Change in Total Property Tax	
2012		2013		Value Change									
Before HMVE	After HMVE	Before HMVE	After HMVE	Before HMVE	After HMVE	2012	2013	Dollars	Percent	2012	2013	Dollars	Percent
\$ 106,000	\$ 78,300	\$100,000	\$ 71,800	-5.7%	-8.3%	\$ 260.36	\$ 265.32	\$ 4.96	1.9%	\$ 1,272.98	\$ 1,247.78	\$ (25.20)	-2.0%
\$ 159,100	\$ 136,200	\$150,000	\$126,300	-5.7%	-7.3%	\$ 452.89	\$ 466.72	\$ 13.83	3.1%	\$ 2,160.61	\$ 2,135.77	\$ (24.84)	-1.1%
\$ 212,100	\$ 193,900	\$200,000	\$180,800	-5.7%	-6.8%	\$ 644.76	\$ 668.11	\$ 23.35	3.6%	\$ 3,045.36	\$ 3,023.76	\$ (21.60)	-0.7%
\$ 235,700	\$ 219,700	\$222,200	\$205,000	-5.7%	-6.7%	\$ 730.55	\$ 757.54	\$ 26.99	3.7%	\$ 3,440.74	\$ 3,418.06	\$ (22.68)	-0.7%
\$ 265,100	\$ 251,700	\$250,000	\$235,300	-5.7%	-6.5%	\$ 836.95	\$ 869.50	\$ 32.55	3.9%	\$ 3,931.42	\$ 3,911.74	\$ (19.68)	-0.5%
\$ 318,100	\$ 309,500	\$300,000	\$289,800	-5.7%	-6.4%	\$1,029.15	\$1,070.90	\$ 41.75	4.1%	\$ 4,817.49	\$ 4,799.74	\$ (17.75)	-0.4%
\$ 371,200	\$ 367,400	\$350,000	\$344,300	-5.7%	-6.3%	\$1,221.68	\$1,272.29	\$ 50.61	4.1%	\$ 5,705.12	\$ 5,687.73	\$ (17.39)	-0.3%
\$ 530,200	\$ 530,200	\$500,000	\$500,000	-5.7%	-5.7%	\$1,788.29	\$1,847.65	\$ 59.36	3.3%	\$ 8,323.20	\$ 8,240.96	\$ (82.24)	-1.0%
\$ 742,300	\$ 742,300	\$700,000	\$700,000	-5.7%	-5.7%	\$2,669.80	\$2,771.48	\$ 101.68	3.8%	\$12,321.35	\$12,247.31	\$ (74.04)	-0.6%
\$ 954,400	\$ 954,400	\$900,000	\$900,000	-5.7%	-5.7%	\$3,551.31	\$3,695.30	\$ 143.99	4.1%	\$16,319.52	\$16,253.63	\$ (65.89)	-0.4%

The second table assumes that property value drops 2%. Under this assumption the City portion of the tax bill increases between \$19.59 and \$293.62 (depending on the home value), and the total tax bill increases between \$42.15 and \$612.78.

Market Value						City Portion of Property Tax		Change in City Property Tax		Total Property Tax		Change in Total Property Tax	
2012		2013		Value Change									
Before HMVE	After HMVE	Before HMVE	After HMVE	Before HMVE	After HMVE	2012	2013	Dollars	Percent	2012	2013	Dollars	Percent
\$ 102,000	\$ 73,900	\$100,000	\$ 71,800	-2.0%	-2.8%	\$ 245.73	\$ 265.32	\$ 19.59	8.0%	\$ 1,205.63	\$ 1,247.78	\$ 42.15	3.5%
\$ 153,100	\$ 129,600	\$150,000	\$126,300	-2.0%	-2.5%	\$ 430.95	\$ 466.72	\$ 35.77	8.3%	\$ 2,059.56	\$ 2,135.77	\$ 76.21	3.7%
\$ 204,100	\$ 185,200	\$200,000	\$180,800	-2.0%	-2.4%	\$ 615.83	\$ 668.11	\$ 52.28	8.5%	\$ 2,911.92	\$ 3,023.76	\$ 111.84	3.8%
\$ 226,700	\$ 209,900	\$222,200	\$205,000	-2.0%	-2.3%	\$ 697.96	\$ 757.54	\$ 59.58	8.5%	\$ 3,290.49	\$ 3,418.06	\$ 127.57	3.9%
\$ 255,100	\$ 240,800	\$250,000	\$235,300	-2.0%	-2.3%	\$ 800.71	\$ 869.50	\$ 68.79	8.6%	\$ 3,764.32	\$ 3,911.74	\$ 147.42	3.9%
\$ 306,100	\$ 296,400	\$300,000	\$289,800	-2.0%	-2.2%	\$ 985.59	\$1,070.90	\$ 85.31	8.7%	\$ 4,616.70	\$ 4,799.74	\$ 183.04	4.0%
\$ 357,100	\$ 352,000	\$350,000	\$344,300	-2.0%	-2.2%	\$1,170.47	\$1,272.29	\$ 101.82	8.7%	\$ 5,469.08	\$ 5,687.73	\$ 218.65	4.0%
\$ 510,200	\$ 510,200	\$500,000	\$500,000	-2.0%	-2.0%	\$1,705.16	\$1,847.65	\$ 142.49	8.4%	\$ 7,946.16	\$ 8,240.96	\$ 294.80	3.7%
\$ 714,300	\$ 714,300	\$700,000	\$700,000	-2.0%	-2.0%	\$2,553.42	\$2,771.48	\$ 218.06	8.5%	\$11,793.51	\$12,247.31	\$ 453.80	3.8%
\$ 918,400	\$ 918,400	\$900,000	\$900,000	-2.0%	-2.0%	\$3,401.68	\$3,695.30	\$ 293.62	8.6%	\$15,640.85	\$16,253.63	\$ 612.78	3.9%

The third table assumes that property value remains the same in both years. Under this assumption the City portion of the tax bill increases between \$26.57 and \$370.10 (depending on the home value), and the total tax bill increases between \$74.51 and \$959.65.

Market Value						City Portion of Property Tax		Change in City Property Tax		Total Property Tax		Change in Total Property Tax	
2012		2013		Value Change									
Before HMVE	After HMVE	Before HMVE	After HMVE	Before HMVE	After HMVE	2012	2013	Dollars	Percent	2012	2013	Dollars	Percent
\$ 100,000	\$ 71,800	\$100,000	\$ 71,800	0.0%	0.0%	\$ 238.75	\$ 265.32	\$ 26.57	11.1%	\$ 1,173.27	\$ 1,247.78	\$ 74.51	6.4%
\$ 150,000	\$ 126,300	\$150,000	\$126,300	0.0%	0.0%	\$ 419.97	\$ 466.72	\$ 46.75	11.1%	\$ 2,008.81	\$ 2,135.77	\$ 126.96	6.3%
\$ 200,000	\$ 180,800	\$200,000	\$180,800	0.0%	0.0%	\$ 601.20	\$ 668.11	\$ 66.91	11.1%	\$ 2,844.34	\$ 3,023.76	\$ 179.42	6.3%
\$ 222,200	\$ 205,000	\$222,200	\$205,000	0.0%	0.0%	\$ 681.67	\$ 757.54	\$ 75.87	11.1%	\$ 3,215.36	\$ 3,418.06	\$ 202.70	6.3%
\$ 250,000	\$ 235,300	\$250,000	\$235,300	0.0%	0.0%	\$ 782.42	\$ 869.50	\$ 87.08	11.1%	\$ 3,679.89	\$ 3,911.74	\$ 231.85	6.3%
\$ 300,000	\$ 289,800	\$300,000	\$289,800	0.0%	0.0%	\$ 963.64	\$1,070.90	\$ 107.26	11.1%	\$ 4,515.42	\$ 4,799.74	\$ 284.32	6.3%
\$ 350,000	\$ 344,300	\$350,000	\$344,300	0.0%	0.0%	\$1,144.87	\$1,272.29	\$ 127.42	11.1%	\$ 5,350.97	\$ 5,687.73	\$ 336.76	6.3%
\$ 500,000	\$ 500,000	\$500,000	\$500,000	0.0%	0.0%	\$1,662.60	\$1,847.65	\$ 185.05	11.1%	\$ 7,753.20	\$ 8,240.96	\$ 487.76	6.3%
\$ 700,000	\$ 700,000	\$700,000	\$700,000	0.0%	0.0%	\$2,493.90	\$2,771.48	\$ 277.58	11.1%	\$11,523.60	\$12,247.31	\$ 723.71	6.3%
\$ 900,000	\$ 900,000	\$900,000	\$900,000	0.0%	0.0%	\$3,325.20	\$3,695.30	\$ 370.10	11.1%	\$15,293.98	\$16,253.63	\$ 959.65	6.3%

## Impact of Metro Watershed Levy on Residential Property Taxes

A few residents located in the Ramsey/Washington Metro Watershed District (Metro Watershed) area called about the change in property taxes on the "Other Special Taxing Districts" line of the estimated tax statement. This line of the statement contains taxes for watershed districts and the Shoreview HRA. The most significant change for 2013 occurs for properties impacted by the new levy for the Metro Watershed District, which replaced the old Grass Lake Water Management Organization. Although the change is essentially a one-year adjustment (because taxpayers see the full impact of the watershed levy in one year), the impact is also significant.

As background information, it may helpful to note that within Shoreview we have four different total tax rates. Although tax rates are the same throughout the City for many jurisdictions (including the City, County, Met Council, Mosquito Control and HRA), some tax rates are different depending on the school or watershed district. The table below shows tax rate information for each of the four different total tax rates.

Description	2012 Tax Rates				2013 Tax Rates			
Tax Rates:								
City taxes	33.252	33.252	33.252	33.252	36.953	36.953	36.953	36.953
Ramsey County, library	61.316	61.316	61.316	61.316	65.144	65.144	65.144	65.144
County Regional Rail Authority	4.330	4.330	4.330	4.330	4.522	4.522	4.522	4.522
School District regular rates								
School district 621	29.044	29.044	n/a	n/a	29.419	29.419	n/a	n/a
School district 623	n/a	n/a	17.065	17.065	n/a	n/a	15.393	15.393
School District market value rates								
School district 621	0.21242%	0.21242%	n/a	n/a	0.22828%	0.22828%	n/a	n/a
School district 623	n/a	n/a	0.19591%	0.19591%	n/a	n/a	0.24531%	0.24531%
Other Jurisdictions								
Met Council	2.706	2.706	2.706	2.706	2.773	2.773	2.773	2.773
Mosquito Control	0.571	0.571	0.571	0.571	0.573	0.573	0.573	0.573
Metro Watershed	n/a	n/a	n/a	n/a	n/a	3.473	3.473	n/a
Rice Creek Watershed	2.348	n/a	n/a	2.348	2.320	n/a	n/a	2.320
Shoreview HRA	0.254	0.254	0.254	0.254	0.289	0.289	0.289	0.289
Total Regular Tax Rate	133.821	131.473	119.494	121.842	141.992	143.145	129.119	127.966
Change in Regular Tax Rates					6.1%	8.9%	8.1%	5.0%
Change in Market Valued Tax Rates					7.5%	7.5%	25.2%	25.2%

It should be noted that the new Metro Watershed tax rate (at 3.473 for 2013) is higher than the Rice Creek Watershed tax rate (at 2.32 for 2013).

To illustrate how the property tax bill differs depending on the school district and the watershed district, the two pages that follow show the total tax as well as the change in property tax for each of the four different taxing rates.

The four examples on this page show the total property tax for a median value home with a 5.7% decrease in value (dropping from \$235,700 to \$222,000 before homestead market value exclusion, and from \$219,700 to \$205,000 after homestead market value exclusion). The highest property tax is paid by the home in the Mounds View School District and the Metro Watershed District (the second table in the list), but the largest tax increase is for the home in the Roseville School District and the Metro Watershed (the third table in the list).

For a median home in the Mounds View School District and Rice Creek Watershed, total property tax decreases about \$23.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Mounds View Schools &amp; Rice Creek Watershed</u></b>				
Property tax				
City	\$ 730.55	\$ 757.54	\$ 26.99	3.7%
HRA	5.58	5.93	0.35	6.3%
County	1,442.24	1,428.13	(14.11)	-1.0%
Mounds View Schools	1,138.77	1,110.32	(28.45)	-2.5%
Metropolitan districts	71.99	68.59	(3.40)	-4.7%
Watershed district	51.61	47.55	(4.06)	-7.9%
Total Property Tax	\$ 3,440.74	\$ 3,418.06	\$ (22.68)	-0.7%

For a median home in the Mounds View School District and Metro Watershed, total property tax increases about \$53, and the new tax for Metro Watershed is about \$71.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Mounds View Schools &amp; Metro Watershed</u></b>				
Property tax				
City	\$ 730.55	\$ 757.54	\$ 26.99	3.7%
HRA	5.58	5.93	0.35	6.3%
County	1,442.24	1,428.13	(14.11)	-1.0%
Mounds View Schools	1,138.77	1,110.32	(28.45)	-2.5%
Metropolitan districts	71.99	68.59	(3.40)	-4.7%
Watershed district	-	71.20	71.20	
Total Property Tax	\$ 3,389.13	\$ 3,441.71	\$ 52.58	1.6%

For a median home in the Roseville School District and Metro Watershed, total property tax increases about \$105, and the new tax for Metro Watershed is about \$71 of the increase.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Roseville Schools &amp; Metro Watershed</u></b>				
Property tax				
City	\$ 730.55	\$ 757.54	\$ 26.99	3.7%
HRA	5.58	5.93	0.35	6.3%
County	1,442.24	1,428.13	(14.11)	-1.0%
Roseville Schools	836.68	860.64	23.96	2.9%
Metropolitan districts	71.99	68.59	(3.40)	-4.7%
Watershed district	-	71.20	71.20	
Total Property Tax	\$ 3,087.04	\$ 3,192.03	\$ 104.99	3.4%

For a median home in the Roseville School District and Rice Creek Watershed, total property tax increases about \$30.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Roseville Schools &amp; Rice Creek Watershed</u></b>				
Property tax				
City	\$ 730.55	\$ 757.54	\$ 26.99	3.7%
HRA	5.58	5.93	0.35	6.3%
County	1,442.24	1,428.13	(14.11)	-1.0%
Roseville Schools	836.68	860.64	23.96	2.9%
Metropolitan districts	71.99	68.59	(3.40)	-4.7%
Watershed district	51.61	47.56	(4.05)	-7.8%
Total Property Tax	\$ 3,138.65	\$ 3,168.39	\$ 29.74	0.9%



The four examples on this page show the total property tax for a \$500,000 home with a 5.7% decrease in value (from \$530,200 to \$500,000). The homestead market value exclusion does not apply in this example. As shown, the highest property tax is paid by the home in the Mounds View School District and the Metro Watershed District (the second table in the list), but the largest tax increase is for the home in the Roseville School District and the Metro Watershed (the third table in the list).

For a home in the Mounds View School District and Rice Creek Watershed, total property tax decreases about \$82.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Mounds View Schools &amp; Rice Creek Watershed</u></b>				
Property tax				
City	\$1,788.29	\$1,847.65	\$ 59.36	3.3%
HRA	13.66	14.46	0.80	5.9%
County	3,530.44	3,483.26	(47.18)	-1.3%
Mounds View Schools	2,688.24	2,612.33	(75.91)	-2.8%
Metropolitan districts	176.24	167.28	(8.96)	-5.1%
Watershed district	126.33	115.98	(10.35)	-8.2%
Total Property Tax	\$8,323.20	\$8,240.96	\$ (82.24)	-1.0%

For a home in the Mounds View School District and Metro Watershed, total property tax increases about \$102, and the new tax for Metro Watershed is about \$174.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Mounds View Schools &amp; Metro Watershed</u></b>				
Property tax				
City	\$1,788.29	\$1,847.65	\$ 59.36	3.3%
HRA	13.66	14.46	0.80	5.9%
County	3,530.44	3,483.26	(47.18)	-1.3%
Mounds View Schools	2,688.24	2,612.33	(75.91)	-2.8%
Metropolitan districts	176.24	167.28	(8.96)	-5.1%
Watershed district	-	173.65	173.65	
Total Property Tax	\$8,196.87	\$8,298.63	\$ 101.76	1.2%

For a home in the Roseville School District and Metro Watershed, total property tax increases about \$217, and the new tax for Metro Watershed is about \$174 of the increase.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Roseville Schools &amp; Metro Watershed</u></b>				
Property tax				
City	\$1,788.29	\$1,847.65	\$ 59.36	3.3%
HRA	13.66	14.46	0.80	5.9%
County	3,530.44	3,483.26	(47.18)	-1.3%
Roseville Schools	1,956.47	1,996.20	39.73	2.0%
Metropolitan districts	176.24	167.28	(8.96)	-5.1%
Watershed district	-	173.65	173.65	
Total Property Tax	\$7,465.10	\$7,682.50	\$ 217.40	2.9%

For a home in the Roseville School District and Rice Creek Watershed, total property tax increases about \$33.

	Payable 2012	Payable 2013	Dollar Change	Percent Change
<b><u>Roseville Schools &amp; Rice Creek Watershed</u></b>				
Property tax				
City	\$1,788.29	\$1,847.65	\$ 59.36	3.3%
HRA	13.66	14.46	0.80	5.9%
County	3,530.44	3,483.26	(47.18)	-1.3%
Roseville Schools	1,956.47	1,996.20	39.73	2.0%
Metropolitan districts	176.24	167.28	(8.96)	-5.1%
Watershed district	126.33	116.00	(10.33)	-8.2%
Total Property Tax	\$7,591.43	\$7,624.85	\$ 33.42	0.4%

## Operating Budget

As discussed at previous budget workshops, the 2013 budget is the first off-year budget since the implementation of the biennial budget. That means that the City will formally amend the second year of the biennial budget and no new formal budget document will be prepared. Instead, the City Council will authorize amendments to the budget and CIP, and will pass resolutions setting the funding level and documenting the changes. This section of the memo provides a summary of budget changes for each operating fund, along with general discussion about the changes to each budget.

General Fund revenue changes include modifications to license and permit revenue, minor changes to intergovernmental revenue, an increase in administrative charges, and the expected loss of charitable gambling revenue. Expense changes are most significant for general government with the reclassification of an office position, additional communications costs, reduced liability insurance and higher software maintenance. Public works changes include higher contractual costs in engineering and streets, lower street maintenance supplies, savings from the reclassification of the environmental officer position, and new forestry initiatives. Parks and recreation changes include savings from the reclassification of a staff position and lower liability insurance costs. Community development changes are the result of continuation of the intern (not originally budgeted for 2013).

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>General Fund</b>						
Revenue						
Property Taxes	\$ 6,265,673	\$ 6,467,060	\$ 6,467,060	\$ 6,717,037	\$ (77,470)	6,639,567
Licenses and Permits	441,243	292,750	422,450	279,750	34,300	314,050
Intergovernmental	188,521	183,002	185,122	184,302	1,320	185,622
Charges for Services	1,198,357	1,164,450	1,196,950	1,205,680	79,290	1,284,970
Fines and Forfeits	62,135	62,000	62,000	62,500	-	62,500
Interest Earnings	79,714	45,000	45,000	45,000	-	45,000
Other Revenues	40,264	35,160	35,160	25,600	(1,560)	24,040
Total Revenue	8,275,907	8,249,422	8,413,742	8,519,869	35,880	8,555,749
Expense						
General Government	\$ 1,839,812	\$ 2,085,610	\$ 2,129,847	\$ 2,107,075	\$ 26,987	\$ 2,134,062
Public Safety	2,556,068	2,721,227	2,708,944	2,884,628	(1,935)	2,882,693
Public Works	1,298,219	1,400,009	1,390,917	1,461,077	14,743	1,475,820
Parks and Recreation	1,716,548	1,588,453	1,577,944	1,625,645	(14,352)	1,611,293
Community Development	530,288	534,323	535,160	547,944	10,437	558,381
Total Expense	7,940,935	\$ 8,329,622	\$ 8,342,812	\$ 8,626,369	\$ 35,880	\$ 8,662,249
Other Sources (Uses)						
Transfers In	471,450	481,000	481,000	519,000	-	519,000
Transfers Out	(751,145)	(400,800)	(400,800)	(412,500)	-	(412,500)
Net Increase (Decrease)	55,277	-	151,130	-	-	-
Fund Equity, beginning	3,921,135	3,976,412	3,976,412	4,127,542		4,127,542
Fund Equity, ending	\$ 3,976,412	\$ 3,976,412	\$ 4,127,542	\$ 4,127,542		\$ 4,127,542



Recycling Fund changes are the result of lower SCORE grant funding and revised estimates generated by the recycling charge (based on new information from Ramsey County), and the net impact of savings from the reclassification of the environmental officer position and higher administrative charges.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Recycling Fund</b>						
Revenue						
Intergovernmental	\$ 70,845	\$ 69,000	\$ 66,883	\$ 70,000	\$ (3,000)	67,000
Charges for Services	432,868	451,300	458,180	473,300	7,680	480,980
Interest Earnings	683	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Total Revenue	504,396	520,300	525,063	543,300	4,680	547,980
Expense						
Public Works	\$ 449,107	\$ 489,474	\$ 487,682	\$ 504,240	\$ (74)	\$ 504,166
Net Increase (Decrease)	55,289	30,826	37,381	39,060	4,754	43,814
Fund Equity, beginning	59,671	114,960	114,960	152,341		152,341
Fund Equity, ending	\$ 114,960	\$ 145,786	\$ 152,341	\$ 191,401		\$ 196,155

Community Center Fund changes include the reclassification of a position, lower liability insurance costs, and a shift from capital costs to rental costs (for fitness equipment).

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Community Center Fund</b>						
Revenue						
Charges for Services	\$ 2,311,069	\$ 2,269,985	\$ 2,269,985	\$ 2,323,755	\$ -	\$ 2,323,755
Interest Earnings	20,674	8,000	8,000	9,000	-	9,000
Other Revenues	758	-	-	-	-	-
Total Revenue	2,332,501	2,277,985	2,277,985	2,332,755	-	2,332,755
Expense						
Parks and Recreation	2,401,866	2,458,919	2,459,428	2,555,899	5,825	2,561,724
Other Sources (Uses)						
Transfers In	297,000	300,000	300,000	312,000	-	312,000
Net Increase (Decrease)	227,635	119,066	118,557	88,856	(5,825)	83,031
Fund Equity, beginning	600,652	828,287	828,287	946,844		946,844
Fund Equity, ending	\$ 828,287	\$ 947,353	\$ 946,844	\$ 1,035,700		\$ 1,029,875

Recreation Programs Fund changes include revised revenue estimates based on recent registration history. Expense changes include savings due to the reclassification of a staff position, increased insurance costs and increased staff costs for the Summer Discovery program.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Recreation Programs Fund</b>						
Revenue						
Charges for Services	\$ 1,303,082	\$ 1,277,740	\$ 1,278,296	\$ 1,303,300	\$ 97,626	\$ 1,400,926
Interest Earnings	12,323	4,600	4,600	4,800	-	4,800
Other Revenues	60	-	-	-	-	-
Total Revenue	1,315,465	1,282,340	1,282,896	1,308,100	97,626	1,405,726
Expense						
Parks and Recreation	\$ 1,173,158	\$ 1,246,802	\$ 1,241,477	\$ 1,270,619	\$ 26,503	\$ 1,297,122
Other Sources (Uses)						
Transfers In	65,000	65,000	65,000	70,000	-	70,000
Transfers Out	(70,000)	(75,000)	(75,000)	(80,000)	-	(80,000)
Net Increase (Decrease)	137,307	25,538	31,419	27,481	71,123	98,604
Fund Equity, beginning	407,898	545,205	545,205	576,624		576,624
Fund Equity, ending	\$ 545,205	\$ 570,743	\$ 576,624	\$ 604,105		\$ 675,228

Cable Television Fund changes are the result of increased administrative charges and transfers in support of computer replacement costs.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Cable Television Fund</b>						
Revenue						
Charges for Services	\$ 287,206	\$ 280,000	\$ 280,000	\$ 288,400	\$ -	\$ 288,400
Interest Earnings	3,174	1,800	1,800	1,800	-	1,800
Other Revenues	1,200	1,200	1,200	1,200	-	1,200
Total Revenue	291,580	283,000	283,000	291,400	-	291,400
Expense						
General Government	\$ 140,936	\$ 165,095	\$ 162,885	\$ 152,498	\$ 900	\$ 153,398
Other Sources (Uses)						
Transfers Out	(154,057)	(121,950)	(121,950)	(115,000)	(1,920)	(116,920)
Net Increase (Decrease)	(3,413)	(4,045)	(1,835)	23,902	(2,820)	21,082
Fund Equity, beginning	219,077	215,664	215,664	213,829		213,829
Fund Equity, ending	\$ 215,664	\$ 211,619	\$ 213,829	\$ 237,731		\$ 234,911

The EDA Fund budget has no proposed changes for 2013.

		2012		2013		
	2011 Actual	Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>EDA Fund</b>						
Revenue						
Property Taxes	\$ 24,818	\$ 55,000	\$ 55,000	\$ 60,000	\$ -	\$ 60,000
Interest Earnings	3,969	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Total Revenue	28,787	55,000	55,000	60,000	-	60,000
Expense						
Community Development	\$ 44,469	\$ 49,783	\$ 50,242	\$ 52,547	\$ -	\$ 52,547
Other Sources (Uses)						
Transfers In	26,556	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Net Increase (Decrease)	10,874	5,217	4,758	7,453	-	7,453
Fund Equity, beginning	174,650	185,524	185,524	190,282		190,282
Fund Equity, ending	\$ 185,524	\$ 190,741	\$ 190,282	\$ 197,735		\$ 197,735

HRA Fund changes include continued costs for the intern position (not originally included in the 2013 budget).

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>HRA Fund</b>						
Revenue						
Property Taxes	\$ 57,380	\$ 70,000	\$ 70,000	\$ 75,000	\$ -	\$ 75,000
Interest Earnings	269	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Total Revenue	57,649	70,000	70,000	75,000	-	75,000
Expense						
Community Development	\$ 46,777	\$ 53,726	\$ 59,745	\$ 59,368	\$ 10,439	\$ 69,807
Other Sources (Uses)						
Transfers In	10,861	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Net Increase (Decrease)	21,733	16,274	10,255	15,632	(10,439)	5,193
Fund Equity, beginning	13,967	35,700	35,700	45,955		45,955
Fund Equity, ending	\$ 35,700	\$ 51,974	\$ 45,955	\$ 61,587		\$ 51,148

The Slice of Shoreview Fund budget has no proposed changes for 2013.

		2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
2011 Actual						
Slice of Shoreview Fund						
Revenue						
Charges for Services	\$ 24,818	\$ 22,000	\$ 22,000	\$ 23,000	\$ -	\$ 23,000
Interest Earnings	1,189	-	-	-	-	-
Other Revenues	37,864	25,000	25,000	25,000	-	25,000
Total Revenue	63,871	47,000	47,000	48,000	-	48,000
Expense						
General Government	\$ 56,660	\$ 57,200	\$ 57,405	\$ 58,200	\$ -	\$ 58,200
Other Sources (Uses)						
Transfers In	10,000	10,000	10,000	10,000	-	10,000
Net Increase (Decrease)	17,211	(200)	(405)	(200)	-	(200)
Fund Equity, beginning	35,347	52,558	52,558	52,153		52,153
Fund Equity, ending	\$ 52,558	\$ 52,358	\$ 52,153	\$ 51,953		\$ 51,953

The Debt Service Fund budget has no proposed changes for 2013.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Debt Service Funds</b>						
Revenue						
Property Taxes	\$ 520,312	\$ 442,026	\$ 442,026	\$ 501,000	\$ -	\$ 501,000
Special Assessments	182,938	115,865	115,865	107,971	-	107,971
Intergovernmental	831	-	-	-	-	-
Interest Earnings	43,029	17,850	17,850	19,050	-	19,050
Total Revenue	747,110	575,741	575,741	628,021	-	628,021
Expense						
Debt Service	\$ 1,578,202	\$ 1,743,547	\$ 1,743,547	\$ 1,718,741	\$ -	\$ 1,718,741
Other Sources (Uses)						
Debt Proceeds	-	-	-	20,000	-	20,000
Transfers In	1,200,366	1,019,490	1,019,490	1,247,286	-	1,247,286
Transfers Out	-	(1,490)	(1,490)	(126,000)	-	(126,000)
Net Increase (Decrease)	369,274	(149,806)	(149,806)	50,566	-	50,566
Fund Equity, beginning	1,888,073	2,257,347	2,257,347	2,107,541		2,107,541
Fund Equity, ending	\$ 2,257,347	\$ 2,107,541	\$ 2,107,541	\$ 2,158,107		\$ 2,158,107

Water Fund changes include a slight revision to the allocation of gallons per tier, a 3% water rate increase for 2013 (down from the 4% planned in the five-year operating plan), lower projected interest earnings, increased contractual costs and higher administrative charges and credit card fees.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Water Fund</b>						
Revenue						
Special Assessments	\$ 1,187	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	13,366	13,200	13,200	12,940		12,940
Charges for Services (utility chgs)	2,184,742	2,468,800	2,710,800	2,564,000	27,000	2,591,000
Interest Earnings	80,297	55,000	40,000	55,000	(20,000)	35,000
Other Revenues	210	-	-	-	-	-
Total Revenue	2,279,802	2,537,000	2,764,000	2,631,940	7,000	2,638,940
Expense						
Enterprise Operations	1,368,874	1,455,461	1,444,027	1,488,456	80,961	1,569,417
Debt Service	202,063	184,287	184,287	171,435	-	171,435
Depreciation	609,067	630,000	630,000	637,000	(7,000)	630,000
Total Expense	2,180,004	2,269,748	2,258,314	2,296,891	73,961	2,370,852
Other Sources (Uses)						
Sale of Asset-Gain (Loss)	(108,152)	-	-	-	-	-
Transfers Out	(225,000)	(240,000)	(240,000)	(262,500)	-	(262,500)
Net Increase (Decrease)	(233,354)	27,252	265,686	72,549	(66,961)	5,588
Note: Excludes contributed assets						

Sewer Fund changes include a 6% sewer rate increase for 2013, decreased interest earnings, increased contractual costs (sewer inventory initiative) and higher administrative charges and credit card fees.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Sewer Fund</b>						
Revenue						
Special Assessments	\$ 1,541	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	10,649	10,515	10,515	10,310	-	10,310
Charges for Services (misc)	3,680	200	200	200	-	200
Charges for Services (utility chgs)	3,543,104	3,506,500	3,516,500	3,611,500	105,000	3,716,500
Interest Earnings	58,518	25,000	25,000	30,000	(5,000)	25,000
Total Revenue	3,617,492	3,542,215	3,552,215	3,652,010	100,000	3,752,010
Expense						
Enterprise Operations	2,953,041	2,942,296	2,927,599	3,055,226	97,399	3,152,625
Debt Service	76,061	72,843	72,843	68,884	-	68,884
Depreciation	295,893	300,000	300,000	310,000	-	310,000
Total Expense	3,324,995	3,315,139	3,300,442	3,434,110	97,399	3,531,509
Other Sources (Uses)						
Transfers Out	(187,000)	(188,000)	(188,000)	(196,500)	-	(196,500)
Net Increase (Decrease)	105,497	39,076	63,773	21,400	2,601	24,001
Note: Excludes contributed assets						

Surface Water Fund changes include lower Snail Lake Augmentation charges (due to lower operating costs), lower projected interest earnings, lower contractual costs (resulting from discontinuance of contributions to Grass Lake) and higher administrative charges and credit card fees. The planned 10% increase in surface water rates for 2013 is unchanged.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Surface Water Fund</b>						
Revenue						
Special Assessments	\$ 472	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,863	3,815	3,815	3,750	-	3,750
Charges for Services (utility chgs)	1,007,679	1,109,462	1,106,430	1,215,101	(2,961)	1,212,140
Interest Earnings	20,606	24,000	12,000	28,000	(20,000)	8,000
Total Revenue	1,032,620	1,137,277	1,122,245	1,246,851	(22,961)	1,223,890
Expense						
Enterprise Operations	669,298	760,233	705,969	756,856	(42,430)	714,426
Debt Service	91,277	85,602	85,602	75,594	-	75,594
Depreciation	214,061	218,000	218,000	223,000	-	223,000
Total Expense	974,636	1,063,835	1,009,571	1,055,450	(42,430)	1,013,020
Other Sources (Uses)						
Transfers Out	(97,000)	(107,000)	(107,000)	(126,900)	-	(126,900)
Net Increase (Decrease)	(39,016)	(33,558)	5,674	64,501	19,469	83,970
Note: Excludes contributed assets						

Street Lighting Fund changes include increased electric costs and administrative charges. The planned 4% increase in street lighting rates for 2013 is unchanged.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Street Lighting Fund</b>						
Revenue						
Special Assessments	\$ 142	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services (utility chgs)	365,333	456,000	456,000	474,000	-	474,000
Interest Earnings	4,337	2,500	2,500	2,700	-	2,700
Other Revenues	-	500	500	500	-	500
Total Revenue	369,812	459,000	459,000	477,200	-	477,200
Expense						
Enterprise Operations	281,610	251,740	257,575	259,451	9,120	268,571
Depreciation	36,865	40,000	40,000	48,000	-	48,000
Total Expense	318,475	291,740	297,575	307,451	9,120	316,571
Other Sources (Uses)						
Transfers Out	(12,600)	(15,600)	(15,600)	(19,000)	-	(19,000)
Net Increase (Decrease)	38,737	151,660	145,825	150,749	(9,120)	141,629
Note: Excludes contributed assets						

Central Garage Fund changes include lower projected interest earnings, higher electric costs and lower insurance costs.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Central Garage Fund</b>						
Revenue						
Property Taxes	\$ 97,886	\$ 216,000	\$ 216,000	\$ 184,000	\$ -	\$ 184,000
Intergovernmental	87,391	120,715	120,715	86,530	-	86,530
Central Garage Charges	1,060,926	1,134,680	1,134,680	1,150,020	-	1,150,020
Interest Earnings	17,484	22,000	22,000	22,000	(12,000)	10,000
Other Revenues	3,562	3,000	3,000	3,000	-	3,000
Total Revenue	1,267,249	1,496,395	1,496,395	1,445,550	(12,000)	1,433,550
Expense						
Central Garage Operations	537,045	576,564	567,700	590,407	3,159	593,566
Debt Service	250,112	247,157	247,157	243,128	-	243,128
Depreciation	481,085	673,000	673,000	696,000	-	696,000
Total Expense	1,268,242	1,496,721	1,487,857	1,529,535	3,159	1,532,694
Other Sources (Uses)						
Sale of Asset-Gain (Loss)	57,794	12,000	12,000	41,000	-	41,000
Transfers In	180,600	180,600	180,600	200,900	-	200,900
Net Increase (Decrease)	237,401	192,274	201,138	157,915	(15,159)	142,756
Contributed Capital Assets	-	-	-	-		-
Fund Equity, beginning	3,475,830	3,713,231	3,713,231	3,914,369		3,914,369
Fund Equity, ending	\$3,713,231	\$3,905,505	\$3,914,369	\$4,072,284		\$4,057,125

The Short-term Disability Fund budget has no proposed changes for 2013.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Short-term Disability Fund</b>						
Revenue						
Charges for Services (misc)	\$ 7,467	\$ 7,500	\$ 7,500	\$ 7,500	\$ -	\$ 7,500
Interest Earnings	948	600	600	600	-	600
Total Revenue	8,415	8,100	8,100	8,100	-	8,100
Expense						
Miscellaneous	12,101	8,000	10,000	8,000	-	8,000
Net Increase (Decrease)	(3,686)	100	(1,900)	100	-	100
Fund Equity, beginning	45,189	41,503	41,503	39,603		39,603
Fund Equity, ending	\$ 41,503	\$ 41,603	\$ 39,603	\$ 39,703		\$ 39,703

The Liability Claims Fund budget has no proposed changes for 2013.

	2011 Actual	2012		2013		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<b>Liability Claims Fund</b>						
Revenue						
Interest Earnings	\$ 3,904	\$ 2,200	\$ 2,200	\$ 2,400	\$ -	\$ 2,400
Other Revenues	43,002	20,000	20,000	30,000	-	30,000
Total Revenue	46,906	22,200	22,200	32,400	-	32,400
Expense						
Miscellaneous	29,892	32,000	32,000	32,000	-	32,000
Net Increase (Decrease)	17,014	(9,800)	(9,800)	400	-	400
Fund Equity, beginning	175,040	192,054	192,054	182,254		182,254
Fund Equity, ending	\$ 192,054	\$ 182,254	\$ 182,254	\$ 182,654		\$ 182,654

### Utility Rates

The change in the total utility bill will vary based on the amount of water used by each customer, and by the type of customer. To put the rate change into perspective, two tables are presented to estimate the change on residential customers at various water usage levels.

For the average residential customer (using an average of 17,500 gallons of water per quarter, and 12,000 gallons of in the winter) the total utility bill will increase \$8.04 per quarter. The majority of the increase is for sewer charges.

Average User			
	2012	2013	Change
Water	\$ 44.20	\$ 45.58	\$ 1.38
Sewer	75.66	80.20	4.54
Surface water	17.57	19.33	1.76
Street lighting	9.11	9.47	0.36
State fee	1.59	1.59	-
Total	\$ 148.13	\$ 156.17	\$ 8.04

The next table shows the change in the utility bill for residential customers at 6 different usage levels.

Customers with the lowest usage receive a smaller increase in cost than customers with higher usage levels. The second column of the table shows the percentage of residential customers that fall within each usage level.

Use Level	% of Homes	Water Gallons	Sewer Gallons	Total Utility Bill		Change in Quarterly Bill
				2012	2013	
Very low	10%	5,000	4,000	\$ 97.34	\$ 103.12	\$ 5.78
Low	22%	10,000	8,000	\$ 116.70	\$ 123.38	\$ 6.68
Average	42%	17,500	12,000	\$ 148.13	\$ 156.17	\$ 8.04
Above avg	19%	25,000	22,000	\$ 180.04	\$ 189.47	\$ 9.43
High	5%	55,000	26,000	\$ 287.74	\$ 300.52	\$ 12.78
Very high	2%	80,000	34,000	\$ 399.98	\$ 416.73	\$ 16.75



## Major Capital Funds

Projected fund balances and capital costs for major capital funds are presented on the next three pages. These schedules show revenue dedicated to each fund, planned project costs, and estimated fund balance.

Street Renewal Fund projections indicate that tax levy increases equal to \$50,000 per year through 2017 will support planned projects. Street rehabilitation bonds (funded from Closed Bond funds and the tax levy) are scheduled for 2013.

Street Renewal Fund Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Property taxes	\$ 800,000	\$ 850,000	\$ 900,000	\$ 950,000	\$ 1,000,000	\$ 1,050,000
Assessments	12,821	12,821	12,821	12,821	12,821	12,821
Investment interest	35,700	36,000	50,300	52,400	67,200	65,600
Total Revenues	\$ 848,521	\$ 898,821	\$ 963,121	\$ 1,015,221	\$ 1,080,021	\$ 1,128,421
<b>Expense</b>						
Street condition survey	13,000	13,000	13,000	-	-	15,000
Sealcoat and crack fill	324,000	296,000	307,400	317,500	325,400	336,700
Street rehabilitation	493,471	475,425	537,000	630,600	1,254,400	792,700
Total Expense	\$ 830,471	\$ 784,425	\$ 857,400	\$ 948,100	\$ 1,579,800	\$ 1,144,400
Net change	18,050	114,396	105,721	67,121	(499,779)	(15,979)
Fund equity, beginning	2,382,263	2,400,313	2,514,709	2,620,430	2,687,551	2,187,772
Fund equity, ending	\$ 2,400,313	\$ 2,514,709	\$ 2,620,430	\$ 2,687,551	\$ 2,187,772	\$ 2,171,793
Years of capital coverage (avg capital)	2.8	2.9	3.0	3.1	2.5	2.5
Tax levy percent change	8.0%	6.3%	5.9%	5.6%	5.3%	5.0%
Annual avg percent change (taxes)						6.0%

MSA Fund projections indicate that the City's annual allocation combined with existing fund balances will support planned project costs through the year 2016. Projects planned for 2017 will require advance encumbrance of MSA funds to support costs.

MSA Fund	2012	2013	2014	2015	2016	2017
Capital Projections	Estimated	Projected	Projected	Projected	Projected	Projected
<b>Revenue</b>						
Intergovt (MSA allocation)	\$ 657,850	\$ 657,850	\$ 664,429	\$ 671,073	\$ 677,784	\$ 684,562
MSA advance/(repay advance)	698,974	(657,850)	(41,125)	-	-	1,442,847
Investment interest	2,700	12,400	3,400	8,500	12,400	2,000
Other	-					
Total Revenues	\$1,359,524	\$ 12,400	\$ 626,704	\$ 679,573	\$ 690,184	\$2,129,409
<b>Expense</b>						
MSA Street Rehabilitation	-	700,000	-	-	1,550,000	-
County Rd D & Cottage Pl Neighbr	-	640,500	-	-	-	-
Lexington Ave Reconstruction	-	-	100,000	-	-	-
Rice Street/I-694 Interchange	-	-	-	420,000	-	-
Highway 49/Hodgson (96-Gramsie)	-	-	-	-	218,000	-
Owasso Blvd N Reconstruction	-	-	-	-	-	2,155,000
Bridge, Lion Neighborhood	-	-	-	-	-	132,000
Past projects	5,128	-	-	-	-	-
Total Expense	\$ 5,128	\$1,340,500	\$ 100,000	\$ 420,000	\$1,768,000	\$2,287,000
Net change	1,354,398	(1,328,100)	526,704	259,573	(1,077,816)	(157,591)
Fund equity, beginning	422,832	1,777,230	449,130	975,834	1,235,407	157,591
Fund equity, ending	\$1,777,230	\$ 449,130	\$ 975,834	\$1,235,407	\$ 157,591	\$ -
Fund equity percent of avg expense	240.7%	60.8%	132.1%	167.3%	21.3%	0.0%
Months capital coverage (avg capital)	28.9	7.3	15.9	20.1	2.6	-

MSA streets are typically City streets with higher traffic volumes. The City may designate up to 20% of local streets as MSA routes, and the routes are subject to certain State design requirements.

General Fixed Asset Fund projections indicate that tax levy increases equal to \$50,000 per year through 2016 will support planned projects and then the growth in the levy is projected to slow somewhat. Starting in 2017, the change in the General Fixed Asset Fund levy is projected to impact the total tax levy by an average of .5% annually (unless capital projections change, requiring higher

<b>General Fixed Asset Fund</b> Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Property taxes	\$ 1,200,000	\$ 1,250,000	\$ 1,300,000	\$ 1,350,000	\$ 1,400,000	\$ 1,420,000
Investment interest	6,000	4,000	3,000	2,000	5,000	5,000
Other	-	-	-	-	-	42,893
Total Revenues	\$ 1,206,000	\$ 1,254,000	\$ 1,303,000	\$ 1,352,000	\$ 1,405,000	\$ 1,467,893
<b>Expense</b>						
Fire stations & equipment	367,163	413,696	312,455	40,993	93,617	606,030
Warning sirens	-	-	18,000	27,000	27,000	18,000
Information systems	110,260	106,000	108,500	111,000	108,000	189,000
Municipal buildings	324,081	372,000	349,000	681,000	225,000	345,000
Park facilities	62,455	561,000	67,000	263,000	148,000	87,400
Trails	60,000	65,000	140,000	75,000	169,000	80,000
Total Expense	\$ 923,959	\$ 1,517,696	\$ 994,955	\$ 1,197,993	\$ 770,617	\$ 1,325,430
<b>Other Sources (Uses)</b>						
Transfers out/debt funds	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)
Total Other Sources (Uses)	\$ (180,000)	\$ (180,000)	\$ (180,000)	\$ (180,000)	\$ (180,000)	\$ (180,000)
Net change	102,041	(443,696)	128,045	(25,993)	454,383	(37,537)
Fund equity, beginning	479,856	581,897	138,201	266,246	240,253	694,636
Fund equity, ending	\$ 581,897	\$ 138,201	\$ 266,246	\$ 240,253	\$ 694,636	\$ 657,099
Months of average capital coverage	6.3	1.5	2.9	2.6	7.6	7.2
Tax levy percent change	5.6%	4.2%	4.0%	3.8%	3.7%	1.4%
Annual average percent change (taxes levies).						3.8%



Capital Improvement Fund projections indicate that tax levy increases equal to \$10,000 per year through 2014, and \$15,000 per year after 2014, will support planned project costs as long as PCS antenna rental fees continue to rise in the future. Otherwise, the City would need to establish a new funding strategy for planned park improvements.

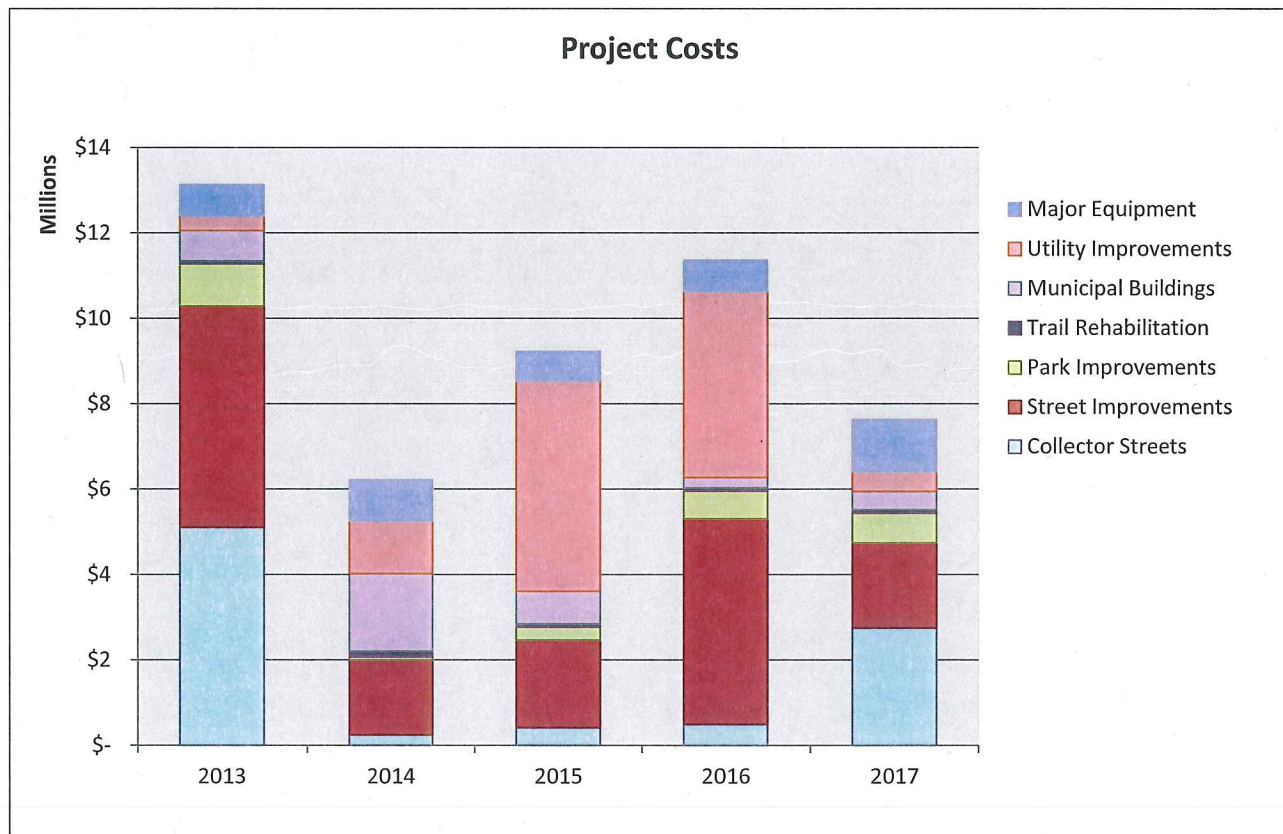
<b>Capital Improvement Fund</b>	Projected	Projected	Projected	Projected	Projected	Projected
Capital Projections	2012	2013	2014	2015	2016	2017
<b>Revenue</b>						
Property taxes	\$ 110,000	\$ 120,000	\$ 130,000	\$ 145,000	\$ 160,000	\$ 175,000
Assessments	280	-	-	-	-	-
Public use dedication fees	2,000	2,000	-	-	-	-
PCS Antenna rentals	246,610	243,605	255,227	267,408	280,175	293,556
Billboard fees	43,557	50,000	50,000	51,500	53,045	54,636
Tall tower fees	110,000	-	-	-	-	-
Investment interest	4,000	4,000	4,000	5,000	6,000	8,000
Total Revenues	\$ 516,447	\$ 419,605	\$ 439,227	\$ 468,908	\$ 499,220	\$ 531,192
<b>Expense</b>						
Park facilities	44,000	430,000	-	40,000	250,000	500,000
Trails and pathways	-	-	-	-	94,000	-
Buildings	55,003	35,000	450,000	50,000	50,000	50,000
Information systems	2,000	-	8,500	3,500	27,000	-
Marketing	15,000	-	-	-	-	-
Total Expense	\$ 116,003	\$ 465,000	\$ 458,500	\$ 93,500	\$ 421,000	\$ 550,000
<b>Other Sources (Uses)</b>						
Transfers out/debt service funds	(165,000)	(165,000)	(175,000)	(175,000)	(175,000)	(175,000)
Total Other Sources (Uses)	\$ (165,000)	\$ (165,000)	\$ (175,000)	\$ (175,000)	\$ (175,000)	\$ (175,000)
Net change	235,444	(210,395)	(194,273)	200,408	(96,780)	(193,808)
Fund equity, beginning	482,189	717,633	507,238	312,965	513,373	416,593
Fund equity, ending	\$ 717,633	\$ 507,238	\$ 312,965	\$ 513,373	\$ 416,593	\$ 222,785
Months of capital coverage (avg capital)	16.4	11.6	7.1	11.7	9.5	5.1
Tax levy percent change	11.3%	9.1%	8.3%	11.5%	10.3%	9.4%
Annual average percent change (taxes)						10.0%

A listing of proposed capital projects and a summary of funding sources is provided on the next 3 pages.

### Proposed Capital Improvement Program

This section of the document contains the proposed Capital Improvement Plan for the years 2012 to 2017, including estimated project costs, funding sources, planned debt issuance, projected tax levies in support of debt and capital funds, and a discussion of primary capital funds.

Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Resources</b>						
Debt Issuance	\$ 1,046,223	\$ 5,281,270	\$ 1,898,000	\$ 5,796,900	\$ 5,833,600	\$ 1,451,300
Intergovernmental	8,015	2,960,620	100,000	420,000	1,768,000	2,329,893
Internal Funds	2,612,818	4,894,991	4,229,355	3,017,193	3,771,717	3,853,537
<b>Total Resources</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>
<b>Project Costs</b>						
Collector Streets	\$ -	\$ 5,108,265	\$ 250,000	\$ 420,000	\$ 497,000	\$ 2,755,000
Street Improvements	1,868,923	5,182,500	1,755,400	2,050,000	4,814,400	1,992,700
Park Improvements	106,455	991,000	67,000	303,000	648,000	694,100
Trail Rehabilitation	60,000	65,000	140,000	75,000	75,000	80,000
Municipal Buildings	427,784	713,475	1,814,548	763,292	242,574	424,900
Utility Improvements	210,000	330,000	1,220,000	4,915,000	4,345,000	455,000
Major Equipment	993,894	746,641	980,407	707,801	751,343	1,233,030
<b>Total Project Costs</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>

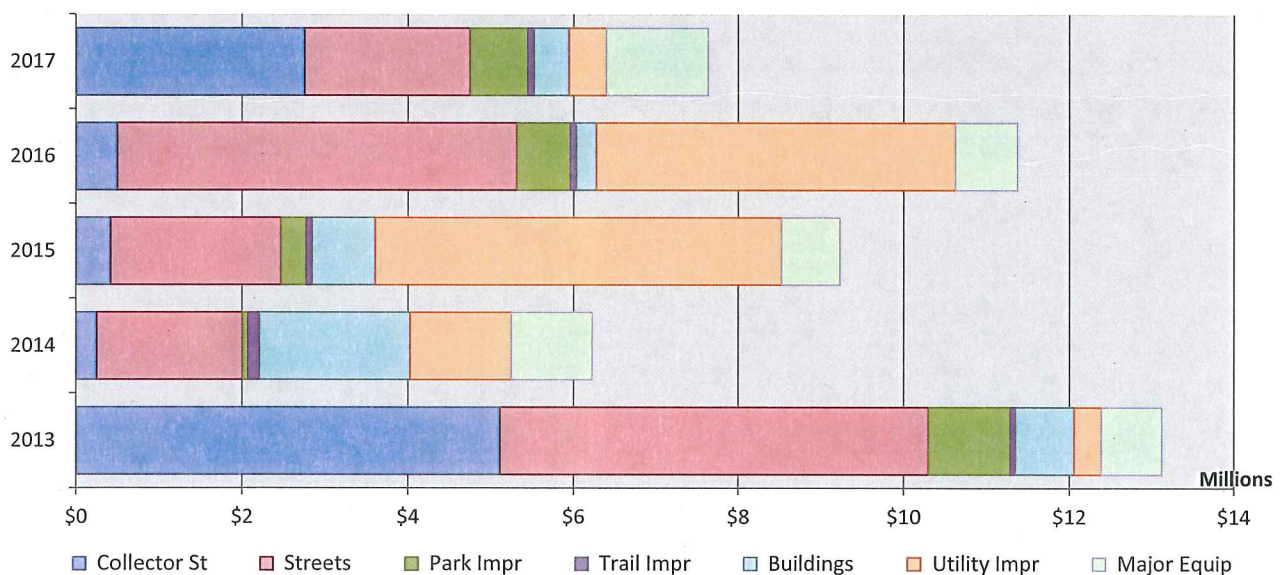




## Project Resources

Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Debt</b>						
General Obligation Bonds	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
Improvement Bonds (assmts)	139,983	1,180,500	146,000	149,200	320,700	314,720
Water Revenue Bonds	425,963	690,070	1,340,000	4,420,000	4,604,000	361,500
Sewer Revenue Bonds	109,800	134,500	155,000	680,000	289,000	370,000
Surface Water Revenue Bonds	370,477	776,200	257,000	547,700	619,900	405,080
<b>Total Debt</b>	<b>1,046,223</b>	<b>5,281,270</b>	<b>1,898,000</b>	<b>5,796,900</b>	<b>5,833,600</b>	<b>1,451,300</b>
<b>Intergovernmental</b>						
Other cities	-	807,570	-	-	-	42,893
Historical Society	8,015	-	-	-	-	-
Ramsey County	-	360,000	-	-	-	-
Metropolitan Council	-	452,550	-	-	-	-
MSA	-	1,340,500	100,000	420,000	1,768,000	2,287,000
<b>Total Intergovernmental</b>	<b>8,015</b>	<b>2,960,620</b>	<b>100,000</b>	<b>420,000</b>	<b>1,768,000</b>	<b>2,329,893</b>
<b>Internal Funds</b>						
General Fund	23,029	500	-	-	800	-
Community Center Fund	-	-	300,000	-	150,000	-
Recreation Programs Fund	-	-	300,000	-	-	-
Cable Television Fund	21,700	1,920	17,500	11,000	12,500	5,000
Street Renewal Fund	830,471	784,425	857,400	948,100	1,579,800	1,144,400
Tax Increment	-	1,369,450	-	-	-	-
General Fixed Asset Fund	923,959	1,517,696	994,955	1,197,993	770,617	1,282,537
Capital Improvement Fund	101,003	465,000	458,500	93,500	421,000	550,000
Water Fund	12,000	15,500	115,000	15,800	15,000	18,800
Sewer Fund	9,000	10,500	460,000	10,800	10,000	13,800
Street Lighting Fund	180,000	225,000	220,000	220,000	287,000	320,000
Central Garage Fund	511,656	505,000	506,000	520,000	525,000	519,000
<b>Total Internal Funds</b>	<b>2,612,818</b>	<b>4,894,991</b>	<b>4,229,355</b>	<b>3,017,193</b>	<b>3,771,717</b>	<b>3,853,537</b>
<b>Total Resources</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>

## Project Costs by Type



Project Costs						
Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Collector Streets</b>						
County Rd D & Cottage Place	\$ -	\$ 2,208,265	\$ -	\$ -	\$ -	\$ -
Owasso Street Realignment	-	2,900,000	-	-	-	-
Lexington Ave Reconstruction	-	-	250,000	-	-	-
Rice Street/I-694 Interchange	-	-	-	420,000	-	-
Highway 49/Hodgson (H96-Gramsie)	-	-	-	-	497,000	-
Owasso Boulevard N Reconstruction	-	-	-	-	-	2,755,000
<b>Total Collector Streets</b>	<b>-</b>	<b>5,108,265</b>	<b>250,000</b>	<b>420,000</b>	<b>497,000</b>	<b>2,755,000</b>
<b>Street Improvements</b>						
Sealcoat Streets	337,000	309,000	320,400	317,500	325,400	351,700
County Rd F, Demar, Floral	1,531,923	-	-	-	-	-
Street Rehabilitation	-	3,200,000	-	-	1,550,000	-
Red Fox Road Reconstruction	-	1,673,500	-	-	-	-
Hanson, Oakridge Neighborhood	-	-	1,435,000	-	-	-
Turtle Lane Neighborhood	-	-	-	1,732,500	-	-
Windward Heights Neighborhood	-	-	-	-	2,939,000	-
Bridge, Lion Neighborhood	-	-	-	-	-	1,641,000
<b>Total Street Improvements</b>	<b>1,868,923</b>	<b>5,182,500</b>	<b>1,755,400</b>	<b>2,050,000</b>	<b>4,814,400</b>	<b>1,992,700</b>
<b>Park Improvements</b>						
Park Facility Replacements	62,455	75,000	-	166,000	20,000	15,000
Park Facility Improvements	14,000	60,000	-	40,000	-	500,000
Parking & Driveways	-	281,000	-	77,000	78,000	179,100
Tennis & Basketball Court Pavement	-	35,000	35,000	15,000	-	-
Park Building Rehabilitation	-	30,000	32,000	5,000	50,000	-
Bucher Park Rehabilitation	30,000	510,000	-	-	-	-
Wading Pool Replacement	-	-	-	-	500,000	-
<b>Total Park Improvements</b>	<b>106,455</b>	<b>991,000</b>	<b>67,000</b>	<b>303,000</b>	<b>648,000</b>	<b>694,100</b>
<b>Trail Rehabilitation</b>	<b>60,000</b>	<b>65,000</b>	<b>140,000</b>	<b>75,000</b>	<b>75,000</b>	<b>80,000</b>
<b>Municipal Buildings</b>						
Fire Stations	40,685	306,475	15,548	32,292	67,574	29,900
General Government Buildings	28,000	45,000	-	-	-	-
Community Center Rehabilitation	11,100	60,000	90,000	551,000	80,000	133,000
Banquet Facility	61,811	15,000	135,000	15,000	15,000	102,000
Pool & Locker Room Areas	226,170	222,000	64,000	20,000	-	45,000
Furniture & Equipment	25,000	30,000	60,000	95,000	30,000	65,000
Community Center Improvements	35,018	35,000	50,000	50,000	50,000	50,000
Community Center Addition	-	-	1,400,000	-	-	-
<b>Total Municipal Buildings</b>	<b>427,784</b>	<b>713,475</b>	<b>1,814,548</b>	<b>763,292</b>	<b>242,574</b>	<b>424,900</b>
<b>Utility Improvements</b>						
Water Systems	-	180,000	40,000	100,000	-	-
Water Treatment Plant	-	-	1,000,000	4,000,000	4,000,000	-
Sanitary Sewer Rehabilitation	-	-	-	500,000	-	70,000
Sewer Lift Stations	-	-	30,000	45,000	75,000	30,000
Pretreatment Structures	60,000	-	-	120,000	120,000	120,000
Residential Street Lights	150,000	150,000	150,000	150,000	150,000	235,000
<b>Total Utility Improvements</b>	<b>210,000</b>	<b>330,000</b>	<b>1,220,000</b>	<b>4,915,000</b>	<b>4,345,000</b>	<b>455,000</b>
<b>Major Equipment</b>						
Fire Equipment	326,478	107,221	296,907	8,701	26,043	469,430
Warning Sirens	-	-	18,000	27,000	27,000	18,000
Computer Systems	151,760	109,420	134,500	127,100	159,300	201,600
Central Garage Equipment	515,656	530,000	531,000	545,000	539,000	544,000
<b>Total Major Equipment</b>	<b>993,894</b>	<b>746,641</b>	<b>980,407</b>	<b>707,801</b>	<b>751,343</b>	<b>1,233,030</b>
<b>Total Capital Projects</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>